

**CONFRONTING BLACK LOW COST HOUSING
DELIVERY IN THE WESTERN CAPE
METROPOLITAN AREA: A CRITICAL
APPRAISAL.**

by

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BA (Hons)

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ABSTRACT

This thesis presents a critical evaluation of the current responses being made by the new Government of National Unity towards solving the low cost housing and community development crisis. This crisis is largely confined to the black low-income residential areas and is manifest in a shortage of adequate formal accommodation, municipal infrastructure and public facilities. Moreover, these areas are also characterised by poverty, poor living conditions, environmental degradation and the socio-economic deprivation of the households living within them. The Reconstruction and Development Programme and the National Housing Policy have recently been introduced by the new Government in response to this problem.

The purpose of this study is to examine the degree to which these policies represent an effective long-term solution to this crisis and whether they are an appropriate means through which low-income households can obtain the type of housing they both need and can realistically afford. Emphasis is placed upon a critical evaluation of the National Housing Policy and the Cape Metropolitan Region is used as a study area. A household survey was carried out in the black low-income residential areas of this region in an effort to determine the actual housing and development needs, perceptions, socio-economic characteristics and locational preferences of these communities. The results of the survey are presented along with an analysis of the origins, nature and magnitude of the housing crisis in the Cape Metropolitan Area.

The research has shown that in many ways the current housing policy does not represent an appropriate means through which low-income households can obtain the type of accommodation they need and can realistically afford. It is not therefore an effective solution to the current low cost housing and community development crisis. The

principal reason for this is that the policy does not adequately take into account or make provision for the actual and diverse housing needs and resource constraints facing low-income households.

It is demonstrated that despite the measures contained within the current housing policy, the majority of black low-income households in the Cape Metropolitan Area cannot afford to obtain formal housing and may be unwilling to upgrade their dwellings to this standard. Furthermore, policy makers have not given adequate consideration to the preferred tenure arrangements of households nor their mobility characteristics and long-term locational preferences. A large proportion of households expressed the desire for rental accommodation, provisions for which have not been included in the current housing policy. Many also indicated that they did not intend remaining in any one location in the Cape Metropolitan Area for the duration of their lives.

Based upon this analysis, possible improvements that could be made to the current housing policy are also suggested. This is not however the specific intention of this study.

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NOTES

Ethnic Terminology:

Frequent reference to the various ethnic groups classified under the Population Registration Act of 1950 and used in the 1991 census is unavoidable. This does not however reflect an acceptance of population classification by racial group. The term 'black' has been used to refer to the indigenous African population and does not include coloureds or Indians. This thesis differentiates between white, coloured, Indian and black people.

CHAPTER ONE

Introduction

*"Housing...is a spiritual need which goes to the root of a dignified and tolerable life.
It is at the core of a better life for all South Africans."*

(Joe Slovo, Former Minister of Housing, Botshabelo, 27 October 1994.)

The 27th of April 1994 marked the beginning of a fundamentally new era in South African politics and society. Upon that date, the first multi-racial democratic elections in the history of the country took place, culminating in the rise to political power of the African National Congress (ANC) and the new democratically elected Government of National Unity. What has begun is essentially a process of reformation and change. The Apartheid policies of the past, set fast in legislation, have been replaced and a new democratic constitution is being draw up.

However successive years of settler colonial and later Apartheid (separate development) rule have left their mark and the legacy of this past promises to continue well into the future. The unequal and discriminatory nature of this past was initiated during the settler colonial era. It was this era that provided the ideological bases and social practices that were to reach their zenith in the formal policy of Apartheid.

It can be cogently be argued that the single most noticeable feature of this legacy is the current 'black urban housing and community development crisis'. This crisis exists because an extensive period of white domination and Apartheid rule has culminated in a considerable shortage of adequate 'formal' (brick) houses in the black residential areas (formally known as 'townships' or 'locations.'). The high incidence of overcrowding in these areas as well as the continuing growth of informal 'squatter' housing settlements both reflect and constitute this problem. This is compounded by the fact that the predominantly black settlements are poorly endowed in terms of municipal infrastructure, community facilities, basic services, economic growth, and investment. It

is with the nature of this crisis as well as the attempts being made by the new Government to alleviate this problem that this work is primarily concerned.

As a political system, Apartheid rested on the principles of racial discrimination and segregation. As is the case in virtually all political systems where the dominant ideology is adhered to with an almost fundamentalist fervour and especially in those countries possessing a colonial history, there are particular groups which benefit from the political order and those which are 'exploited', 'neglected' or 'undermined' by that same order. In South Africa, this resulted in the development of a "relation of dominance" (Lemon 1991: 2). This relation of dominance was characterised by the settler colonial group of 'invading' whites forging for themselves a socio-economic and political system in which their hegemony was exercised to their own advantage at the expense of other race groups and, in particular, the subordinate indigenous African population.

Within this context the Apartheid policies adopted by the National Government, sought to entrench and 'concretise' this relationship. This was achieved through the maintenance of unequal social, economic and political relations and given effect primarily through social and physical segregation. The forms in which this separation took place were numerous, and ranged from the establishment of separate public amenities for different race groups, to job exclusion, the denial of political rights and most notably, the physical separation and unequal development of different racial communities. It is within the urban sphere that the legacy of Apartheid, as it exists today, is most apparent. Furthermore, it is in this sphere that the new Government of National Unity will have to perform most effectively if it is to overcome the problems and discrepancies that have evolved in the past and that exist today in order to provide "a better life for all South Africans" (Joe Slovo, Former Minister of Housing, Botshabelo, October 1994).

Denied the more spontaneous 'checks and balances' that shape the 'natural' evolution of urban areas, South African cities and towns were subject to a wide range of legislative measures designed to shape them in accordance with Apartheid ideology. Central to this ideology was the notion that, in the absence of an indigenous urban tradition, South African cities and towns, were the economic and cultural domain of the white settlers who created them (Lemon 1991: 1). Blacks were not perceived in official Apartheid urban policy to be permanent residents in the urban areas. Indeed their urbanisation was actively discouraged. More specifically, urban blacks were perceived to be a transitory labour force, there only to provide labour power to white industries for as long as they were needed. Thus according to Maylam (1990 in Lemon 1991: 1), "the attempt to secure labour-power without labourers has been a major feature of State urban policy."

Homelands or 'bantustans' were established in isolated parts of the country and it was these locations that were perceived to be the permanent 'homes' of the black population and in which they were expected to develop according to their own cultural tenets. Black persons were expected to migrate from these homelands to the urban areas, where they would provide labour on a temporary or contractual basis, and return to the homelands on completion of their contract. A circulatory migration system involving the black workforce in this country was consequently established.

While resident in the urban areas black migrant workers were accommodated in hostels or 'barracks.' This accommodation was provided by either the State (public sector), or by employers (private sector) on only limited basis. In addition, limited accommodation was also provided by the State for those black workers who were entitled to 'permanent' status in the urban areas (such as permanent industrial workers and private household staff). Such accommodation was provided by the public sector in the form of formal housing located in areas known as locations or townships. Spatially, both these forms of housing were largely located on the periphery of the urban areas in accordance with the segregationist policy. Whilst this study is primarily concerned with the problems deriving from *black* urbanisation, it is however important to note at this stage that the other

'subordinate' racial groups present (Cape coloureds, Malays and Asians) were also legally segregated and confined to specific urban dwelling locations.

Thus Apartheid policy as it pertained to the urban areas determined the geographical location of blacks within the city. Indeed it was so vigorously pursued that blacks and other people of 'colour' were at various stages in history forcibly removed from particular areas within the city to areas deemed appropriate by the State. The case of District Six is a primary example of this measure and according to Lemon (1991: 1), "no other country, certainly, has embarked on so thorough a reorganisation of its urban space for the purposes of segregation."

As blacks were perceived only to be temporary residents in these urban locations the long term planning and development of black urban areas was consistently neglected by the State. Economic, social and community development in these areas was kept at a minimum. In short, the State saw no need to develop these areas into viable, self-sustaining and socio-economically progressive communities. Consequently, many of these areas were deprived of adequate community facilities (such as schools, hospitals and recreational facilities) and offered little opportunity for job creation and the socio-economic upliftment of the communities living within them.

Over time, the economic growth and development of South African cities and towns increased the possibility of employment for blacks in a rapidly diversifying economy, drawing increasing numbers of black migrants to these urban areas. Deteriorating conditions in the homelands due to overcrowding and the overutilisation of limited resources, decreased the ability of blacks in these areas to establish permanent and sustainable livelihoods. Consequently, increasing numbers of blacks were induced to migrate to the urban areas to seek employment.

State housing provision however failed to match the growing influx of black migrants and a housing shortage soon developed. Furthermore, during the 1980's, the State embarked upon a policy not to provide further black housing (Spiegel et al 1994: 1). Hence overcrowding and the overutilisation of the limited basic services provided to black urban areas became (and continue to be) major problems. This has resulted in the increased deterioration of these urban township environments and in lower overall living conditions. The needs of black communities in terms of housing and tenure arrangements and those pertaining to basic services and community facilities were ignored in the 'supply-side' approach adopted by the State towards black housing. Concomitantly, the 1913 Land Act forbade blacks to own land and this effectively discouraged black urban residents to invest in 'their' dwellings. Consequently little was done by these residents to improve or maintain their living spaces and the environments which had been allocated to them. The combination of these factors therefore led to a steady decline in the living conditions in these formal black housing areas.

In addition, fuelled by the overcrowding in these designated black residential areas and the growing influx of people from the homelands, informal squatter settlements developed on vacant sites, primarily on the periphery, of virtually all South African cities and towns. Housing in these sites largely consisted (and continues to do so) of make-shift wooden, cardboard and tin shacks lacking access to basic services and community facilities. Living conditions in these areas consequently fell below acceptable Municipal standards and continued to decline as these sites expanded, despite early State efforts to remove them.

However, Apartheid did not only affected the physical structure and form and nature of black urban areas. To a large degree this policy also affected the socio-economic characteristics and psycho-socio attributes of individuals and communities within these areas. Successive years of socio-economic and political deprivation have resulted in the evolution of a population group confined to a position of relative poverty. Having been denied the benefits of adequate education, training and higher paying occupations, many

black urban residents have been unable to improve their socio-economic status. By extension this has compromised the ability of individuals to improve their own living and community conditions as well as to generate their own formal (brick) housing.

Today the legacy of Apartheid policy continues. The abolition of influx control legislation in 1986 confirmed the permanence of the black urban population and called upon the State to re-evaluate its attitude and actions towards these communities. Today however, it remains the task of the new Government of National Unity to solve the problems generated by Apartheid in the urban sphere and, in particular, in those urban areas occupied by black communities. Apartheid created an urban sphere, divided and characterised by the unequal distribution of public and private resources along racial lines. In comparison with the white residential areas, as well as in terms of culturally acceptable standards, black residential areas in South Africa are distinct in terms of their poor quality housing arrangements and lack of basic public services (water, sewerage, sanitation and electricity) and community facilities (hospitals, schools, libraries and sport and recreational facilities). They also continue to lack adequate and effective Municipal representation¹, access to employment and social and economic investment. Such is the contemporary legacy of Apartheid in the urban sphere.

1.1 THE MAGNITUDE OF THE BLACK URBAN HOUSING CRISIS.

In general terms, the wide range of urban socio-economic problems created by Apartheid are manifest in two particular areas. Firstly in the sphere of *housing*, where there presently exists a considerable housing shortage in terms of formal, serviced houses in the black urban areas. The high degree of overcrowding in the black formal housing areas, as well as the increasing number of people being forced to resort to informal or

¹ At the time of writing blacks are represented on nominated (non-elected) Transitional Local Councils in the Cape Metropolitan Area. Prior to the establishment of these councils, black local councils had virtually collapsed due to militant political opposition.

squatter accommodation, bears testimony to this. In addition to the demonstrable need for shelter, it is important to note that most dwellings also require access to basic services.

Secondly, and equally important, socio-economic problems are apparent in the overall housing and community *environment* of the black urban areas. It is widely acknowledged that the task of the new Government lies not only in providing acceptable accommodation, but also in the generation of sustainable community environments for this accommodation. By logical extension, this accords with the aphorism that 'a home is more than a house,' implying that a home which provides a warm, supportive and nurturing family environment constitutes much more than the shelter which contains it, the house. Consequently, the development of viable, integrated social communities requires much more than the mere provision of houses. Rather, it is widely accepted that these areas need to be re-incorporated into the broader urban environment, largely through State and private sector investment and development. It is envisaged that this would provide the basis for the socio-economic upliftment of communities and ultimately the eradication of the relative and absolute poverty characterising these areas.

According to the Department of Housing (D.O.H 1994: 13), 39 per cent of all households in the country, the majority of which are black, do not live in formal 'brick' accommodation. Here, formal accommodation is defined as being "any housing unit with a house structure estimated to have a life span of 20 years or longer" (D.O.H. 1994: 13). With regard to the provision of formal housing (where such houses cost less than 45 thousand rand to construct), the number of houses built has decreased over the past two years. Less than 20 thousand units were built nation-wide during the 1993/94 financial year as opposed to the 45 thousand units provided during the 1989/90 financial year.

Urban Informal Housing is defined by the Department of Housing as being a temporary (shack) housing unit over which legal tenure is held and which has access to basic services (water, sanitation and access roads). These dwellings may be upgraded over time to the standard of formal housing (D.O.H. 1994: 14). They may take the form of either

single roomed brick 'starter' houses or temporary 'shack' dwellings located upon serviced sites. It is estimated that approximately 1.5 million informal housing units exist in the country. Of these, roughly 620 thousand are serviced sites and almost 100 thousand are 'sterile' or unused serviced sites. These sites were provided primarily by the old Provincial Authorities and by the Independent Development Trust (I.D.T.). It is estimated that 120 thousand serviced sites were provided by the four, now defunct, Provincial Authorities and by the I.D.T. in the past per annum. Delivery of serviced sites has however declined since 1994 (D.O.H. 1994: 14).

Squatter housing refers to "any housing unit over which no formal tenure is held. Such housing is generally of a poor standard, with minimal or no access to basic services" (D.O.H. 1994: 14). According to the same source, almost 13.5 per cent, or 1.06 million households in the country occupy housing which may be classified as being squatter housing. Virtually all of these households are black and it is in these areas that the housing crisis is most acute.

Most informal and squatter housing takes the form of free-standing shacks located primarily on the periphery of cities and towns, as well as in the back yards of formal houses located within the formal townships. In recent years the proportion of people living in squatter housing has increased considerably and continues to do so due to the current low rate of formal housing provision and the high rate of new household formation. According to the Department of Housing, "this form of housing remains the prevalent means through which households are accessing shelter in South Africa at present." Furthermore, it is estimated that roughly 150 thousand new households are resorting to this type of housing per annum resulting in a high rate of land invasions in cities and towns nation-wide (D.O.H. 1994: 14).

Concomitantly, it is estimated that 5.2 per cent of all households presently reside in various forms of hostel accommodation. Most of these households are black. Accommodation of this sort largely consists of a single bed located with in a communal

'dormitory.' Other facilities such as kitchens and bathrooms are provided for on a communal basis. Upgrading projects designed to improve the living standards of approximately 100 thousand hostel residents are being completed. This figure translates to at least one third of the existing 58 hostels in the country (D.O.H. 1994: 14).

In addition, many people in South Africa do not have access to basic services (water, sanitation, sewerage and electricity). One quarter (23.6 per cent) of households in the country do not have access to some form of piped water supply, be it a yard tap, an internal tap or a public kiosk tap. Access to waterborne sewerage (flush toilet) is enjoyed by only 52 per cent of households in the country leaving 48 percent with no access (D.O.H. 1994: 15). With regard to black households, it is reported that at least 16 per cent have no access to any form of sanitation system (D.O.H. 1994: 15). Furthermore, 46.4 per cent of households in the country have no access to electricity and are compelled to rely upon alternative sources of power for purposes such as cooking, heating and lighting (D.O.H. 1994: 16). Such alternative sources may include wood, paraffin and coal.

It is evident therefore that a large proportion of households in the country do not live in formal brick houses and that many lack access to adequate basic services. The majority of these households are black. Given the fact that 66 per cent of these households are urbanised, it is apparent that a housing 'crisis' of considerable magnitude exists in the urban areas.

It is estimated that the current housing backlog in functional urban areas in 1995 was approximately 1.5 million units. The annual rate of increase in this backlog is estimated to be 200 thousand units *per annum*. This may be attributed primarily to the high rate of urbanisation (through rural-urban migration) and population growth coupled with the relatively low rate of formal housing provision (D.O.H. 1994: 17). Together these factors have led to a situation where the current demand for formal housing in the black residential areas far exceeds the current rate of supply.

In addition, the magnitude of this problem is compounded by the fact that:

1. At present there exist approximately 720 thousand 'below standard' serviced sites in the urban areas that will require upgrading if existing housing and service provision standards are to be maintained (D.O.H. 1994: 17).
2. Existing public, private and grey sector² hostel accommodation, housing almost 450 thousand people is in need of upgrading (D.O.H. 1994: 17).
3. There presently exist large numbers of rural houses in need of basic service provision (D.O.H. 1994: 17).
4. The high rate of population growth amongst blacks is placing additional strain upon the existing housing stock. This rate is approximately 3 per cent per annum and it is expected that South Africa's population will reach 47.4 million people by the year 2000 (D.O.H 1994: 11). At this rate 200 000 new households will be formed annually.
5. Almost half of all households earn below R1500 per month. Forty percent earn below R800 per month, most of which are black. This factor limits the ability of these households to provide their own formal housing and improve their living conditions.
6. It is estimated that only 58 percent of all households (4.8 million) possess secure tenure over their properties. Eighteen percent do not have secure tenure over their properties or homes in urban areas (D.O.H. 1994: 17). Most of these households are black and are located in the informal or 'squatter' settlements.

These problems are presently the primary areas of concern of the new Governments urban policy and are being dealt with by the Department of Housing and the Reconstruction and Development Programme (RDP) respectively. Although housed within different ministries, it is intended that these two strategies will be complementary and deal with the housing and community development problem in an holistic manner. Policy makers consider it important that current housing and community development

² Grey sector hostels are defined by the Department of Housing as being privately owned hostels constructed on public sector land.

strategies do not replicate the same supply-side approach adopted by the previous Government and which emphasised delivery issues when confronting the housing problem (Spiegel *et al* 1994: 1).

Basically, that approach viewed the black urban population as being homogenous and ignored the specific needs of communities and individuals as they vary under differing economic and social circumstances, stage in the life cycle, household composition and over time. Instead, housing delivery was determined by assessing the number of existing formal houses, the size of the legally present black urban population and a standard number of persons per room in these houses. Upon this basis, the housing backlog was calculated and houses (in some circumstances) provided (Spiegel *et al* 1994:1). This approach was therefore, essentially a 'top-down' approach to the housing problem.

Contrary to this, it has been argued that, in light of the manifest failure of this strategy, the new housing policy should adopt a 'bottom-up' approach towards providing for the housing needs of the black urban population. According to Spiegel *et al* (1994: 1), this approach would ensure that differing individual and community circumstances and housing needs are taken into account and effectively provided for. This entails not only State involvement but also community participation in the housing delivery process. In this way, it is considered by many that housing policy stands the greatest chance of being effective in its attempt to reverse the discrepancies engineered by the past Apartheid regime (Spiegel *et al* 1994: 1).

1.2 THE AIM OF THIS RESEARCH PAPER.

Current State policies towards solving the housing problem were first formalised at the housing 'summit' in Botshabelo in October 1994. Flowing from these discussions a National Housing Strategy was developed in accordance with the vision held by the former Minister of Housing the late Mr. Joe Slovo. The actual nature of this policy will be outlined in detail at a later stage in this work.

The primary aim of this study is to evaluate critically the policies and approaches being adopted by the new Government in its attempt to deal effectively with the present black housing and community development crisis. The purpose of this critical evaluation is to determine whether current responses to the housing crisis represent an appropriate, effective and sustainable working solution to the housing problem. More specifically, it is the intention of this evaluation to assess the degree to which current housing policy takes into account the *actual* housing needs of individual black households concerned and thereafter, the degree to which it poses as a viable mechanism through which these needs may be satisfied.

The underlying argument is that in order to be effective, this policy must take into consideration the actual housing and development needs of individuals, households and communities, their available resources, perceptions and socio-economic circumstances (Spiegel *et al* 1994: 1). It has been argued by Spiegel *et al* (1994) that to be effective housing policy should adopt a 'bottom-up' approach in the process of low cost housing provision. Evidence suggests that to a degree current policy has been based upon this understanding. This is apparent in the States' intention wherever possible to involve individual households and communities concerned in the housing delivery process.

Moreover, it has also been emphasised by the State that because of financial constraints imposed upon the Department of Housing, individual households will have to share a large proportion of the costs involved in the provision of formal housing. Consequently, the State intends housing policy and the measures contained within to act largely as a catalyst to, and guiding mechanism in, the process of low cost housing provision. The success of this approach therefore depends largely upon the financial resources and expertise available to households.

In light of this, the hypothesis advanced in this study is that the current housing policy does not represent a viable and sustainable solution to the current black urban housing and community development crisis. It will be argued that to a large degree the individual

measures constituting this policy do not make adequate provision for the actual housing needs of low-income³ black households and that the specific social and economic characteristics of these households have not been fully taken into account in the formulation of housing policy. It will be demonstrated that many black households are unable to afford to acquire adequate formal housing through the provisions made in this policy. In this sense, the term 'adequate formal housing' refers to formal, serviced, 'brick' houses suitable to the specific needs of those households concerned.

1.3 OBJECTIVES.

The specific objectives of this study are:

1. To outline the historical circumstances that have culminated in the current black urban housing and community development crisis.
2. To illustrate the magnitude and dimensions of this problem in the Cape Metropolitan Area.
3. To review current State policy designed to alleviate this problem. This will necessarily entail a detailed account of the measures and provisions contained within the policies of the Reconstruction and Development Programme (RDP) and National Housing Strategy of the Department of Housing (DOH). Emphasis is however placed on the latter.
4. To assess and identify the actual housing and community development needs of low-income black households involved in the crisis.
5. To identify the socio-economic characteristics of these households and in particular the constraints they face and which may limit their ability to benefit effectively from the provisions contained within the current housing policy and prevent them from obtaining adequate housing.

³ The classification 'low income' in this study refers to households earning less than R3500 per month. This is based upon the maximum amount of monthly income households are permitted to earn to be eligible for financial assistance from the Department of Housings' Capital Subsidy Scheme. Households earning less than R1500 per month are referred to as very low income households.

6. To assess the appropriateness and effectiveness of the current housing policy in light of these characteristics.
7. To draw conclusions from this analysis relating to the appropriateness of current housing policy.

1.4 METHODOLOGY.

The methodology used in this work is as follows:

1. An extensive literature search. This was carried out in order to obtain relevant information and opinion pertaining to the housing issue. This included its historical origins, characteristics and changing policies. Various official Government reports and policy proposals were also identified and were used to provide information relating to the current National Housing Strategy and the Reconstruction and Development Programme.
2. Inter-personal interviews. A number of personal interviews were also carried out with prominent persons engaged in or related to the field of low cost housing provision. The aim of such interviews was to acquire up to date information concerning current developments in housing provision, and to gain a more in depth understanding of matters relating to this problem. A list of persons interviewed is included at the end of this work.
3. A comprehensive research survey. Detailed statistical information relating to the actual housing needs and characteristics of low-income black households in the Cape Metropolitan Area was obtained through the use of a questionnaire generated for this purpose. Details pertaining to the nature of this research tool are contained in the chapter dealing with the outcomes and findings of this research. This research was funded and co-ordinated by the Western Cape Community Based Housing Trust and placed under the directorship of Dr. R. Mazur of Iowa State University. The author

was assigned the position of research assistant in this survey and as such was involved early in the various stages of this research until its completion. The author had access to the 'raw' data *ab initio*. The survey conducted is referred to hereafter as 'Project Migration.'

4. Statistical analysis of this 'raw' data set. Whilst the questionnaire survey penetrated many attributes of the black low-income urban population, information was selected and analysis of data was conducted by the author according to the specific aims of this report. Computer based analysis was conducted using appropriate software designed for this purpose, namely the Statistical Package for the Social Sciences (SPSS). This tool allowed for the correlation and cross tabulation of a number of variables contained within the data set.
5. Conclusions were then drawn from the analysis.

1.5 APPROACH.

The following section provides an insight into the logical development of this work.

Chapter One reviews the historical causes and circumstances that have today culminated in the black urban housing and community development crisis. The purpose of this chapter is to provide not only an insight into these causes, but to also provide a context in which to place this work. The point here is that the present is a legacy of the past and the geography of South African cities and the problems they are experiencing cannot be understood without reference to the historical circumstances under which they evolved. As such this chapter will outline the origins of this crisis through an overview of the processes and developments that have taken place with regard to the black population in the urban context since the advent of settler colonialism and later Apartheid.

Particular attention will be given to the socio-economic and political position of blacks within the settler colonial mode of production and political economy, the historical provision of black housing and the nature and development of the black urban environment. This will provide a background to explaining why there currently exists a black urban housing and community development crisis and why individuals and communities concerned experience extreme difficulties in resolving the problem themselves. In addition, this chapter will provide a basis to understanding the characteristics and needs of the black population that are later considered when the results of the questionnaire survey are considered.

Given the origins of this crisis, chapter Two will illustrate its magnitude and dimensions in the Cape Metropolitan Area. It is important to note that while Government housing policy is National in scope, the Cape Metropolitan Area has been selected as a case study. Figure 1.1 shows a map of the study region and the location of the black low-income residential areas within the Cape Metropolitan Area. This chapter will therefore provide official estimates relating to the nature and scale of the housing crisis in this area. As such, it will provide that information necessary to contextualise this research.

Chapter Three provides an analysis of current State policy towards alleviating this crisis. Information in this chapter pertains to the measures contained within the Reconstruction and Development Programme and the official housing policy of the Department of Housing. The aim of this chapter is to assess the manner in which each of these policies attempts to deal with the current housing and community development crisis. This chapter is considered important as it provides the touchstone for critical analysis of these policies.

Chapter Four in this work contains the results of the statistical analysis that was conducted by the author using the 'raw' data set generated by Project Migration. Information will relate to the degree to which black urban households have access to

basic services, their housing needs, migratory patterns, and socio-economic profiles. As observed earlier, many of the results can be traced back to their historical origins.

Conclusions regarding the appropriateness and potential effectiveness of current housing policy will be drawn in Chapter Five. Specific attention will be paid to the potential ability of households to obtain and afford formal accommodation through the measures contained within this policy and those factors which may limit the effectiveness of this policy. The degree to which policy accommodates the specific socio-economic circumstances and housing needs of low-income black households will also be considered.

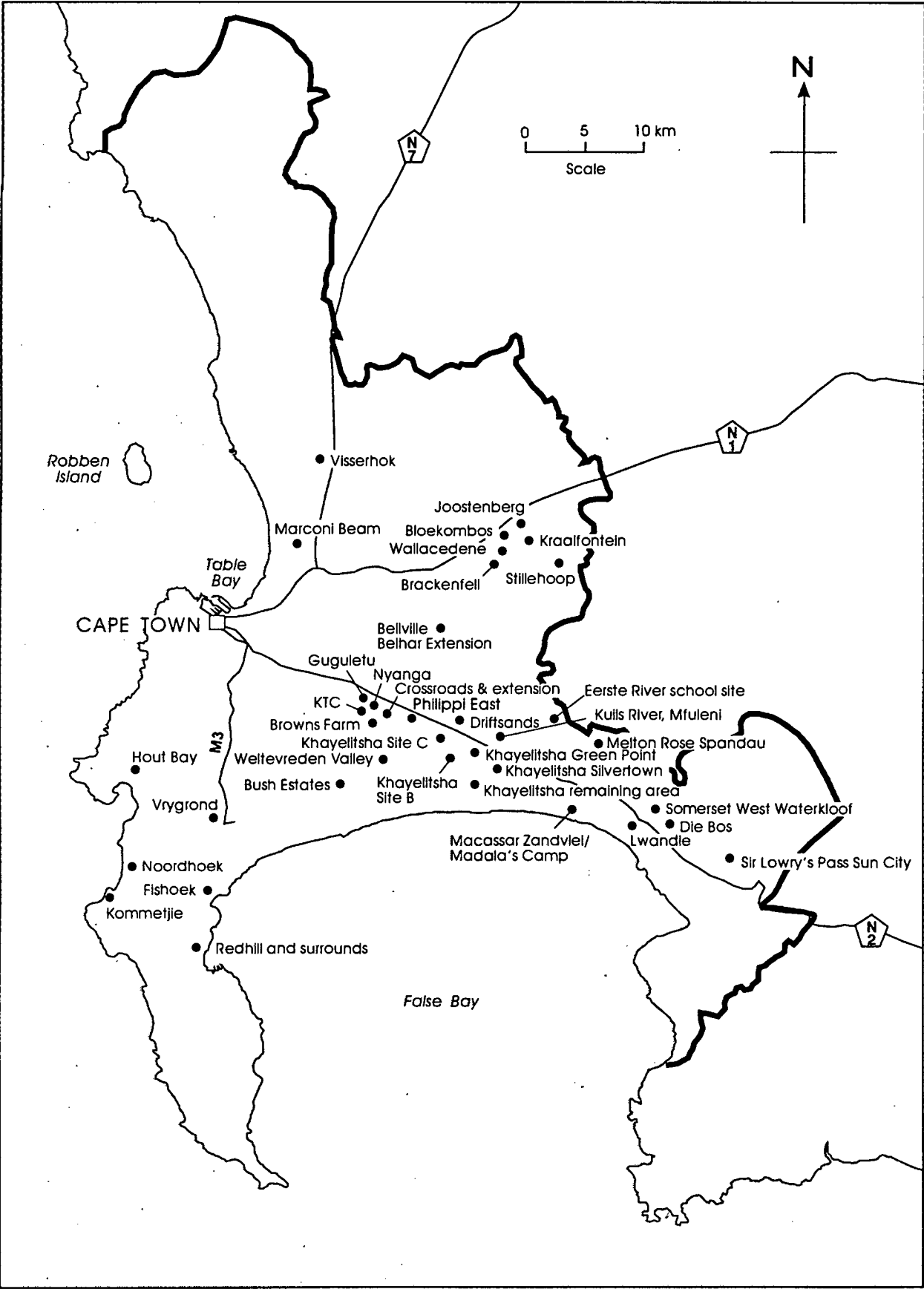


Figure 1-1 Location of low income black residential areas within the Cape Metropolitan area.

CHAPTER TWO

The Historical Origins of the Black Urban Housing and Development Crisis.

2.1 INTRODUCTION.

It may be cogently argued that the underlying causes of the current black housing and community development crisis may be found in the socio-economic and political history of South Africa and of the urban settlements that have developed here. Overtime, a number of processes and events have shaped these urban forms and in particular the black residential areas contained within them. The aim of this chapter is to provide an historical review of these processes in order to generate a conceptual framework in which to place this problem and hence facilitate its understanding.

More specifically, it is possible to contend that the causes of the current housing crisis are associated with certain socio-economic and political processes that occurred during the settler colonial era and the period of Apartheid. This chapter will demonstrate this contention. It will attempt to outline how these processes and events determined:

1. The location of black accommodation space within South African urban settlements.
2. The manner in which housing was provided for the black urban population and the rate at which this accommodation was provided.
3. The living and community conditions in these areas.
4. The socio-economic characteristics of the black urban population.

In this way it is envisaged that this chapter will illustrate the historical factors that have caused this crisis and how this problem has developed overtime. In doing so, this

historical review will also expound upon the nature of these socio-economic and political processes.

The approach that will be used is two fold. In the first instance an historical overview of the structural forces inherent within settler colonialism that have contributed to this crisis will be given. This section will identify those factors that shaped the specific nature of the settler colonial social formation and geography of the urban areas that developed during this time. Emphasis will be placed upon the way in which these forces culminated in the socio-economic and political subordination of the black urban population. The way in which the settler colonial city was structured in order to accommodate this group and perpetuate this state of subordination will also be outlined. An understanding of these forces and their outcomes is considered important as they provided the foundations upon which the formal policy of Apartheid was established.

Thereafter, an attempt will be made to identify the manner in which these structural relations of dominance and subordination evolved in South Africa in the post colonial era. This section will outline the development of the Apartheid city and those restrictions placed upon the black urban population in this context. The manner in which black housing was provided will also be illustrated as well as the way in which urban blacks were perceived by the State. Thereafter, the effects of these factors upon the socio-economic characteristics of this population group, their living conditions and housing environments will be assessed. In this way this historical review will not only identify the causes of the current black urban housing crisis but will also demonstrate the evolution of this problem overtime.

The basic premise underlying this approach is that one cannot conceptualise the nature of current housing policy nor the results of Project Migration without first describing the historical background from which they have arisen. Hence, in order to understand the

measures being put forward in an attempt to solve this crisis it is firstly of fundamental importance to understand and acknowledge the historical processes responsible for this crisis.

2.2 SETTLER COLONIALISM.

2.2.1 Introduction.

The process of colonialism has overtime taken many forms. It may be contextualised as either imperial colonialism or settler colonialism. In a general sense, colonialism was a process in which certain economic, social and political needs of a country were met through the expansion of its political authority, social dimensions and economic base into foreign territories previously unrelated to that country. In all forms it was by definition a coercive process (Davies 1981: 1). Indigenous colonised populations in most cases were rendered to a position in which they were dominated and exploited.

When attempting to identify the causes of the current black housing and community development crisis, one cannot ignore the settler colonial history of this country. This type of colonialism is pertinent to this study as it was in this form that colonialism occurred in South Africa, marking the beginnings of the specific urban environments here and the inequalities and problems associated with these environments today. The socio-economic, political and space relations created during this time between the white colonists and the indigenous black population also formed the basis upon which the policy of Apartheid was later established. These relations were characterised by inequality, racial discrimination, oppression and exploitation and resulted in the subordination of the indigenous black population by the dominant group of white colonists (Davies 1981: 1).

This relationship of dominance and subordination was reflected in, and maintained by, the specific settler colonial social formation. Structural forces within this social formation sought to maintain this position of dominance and control. Forces of control

largely depended upon restrictions placed upon the indigenous population's access to political power. Concomitantly they also included control over access to the means of production, employment, land resources, public services and amenities and access to the means of upward socio-economic mobility (Lemon 1991: 2).

Consequently, during this period blacks were denied political rights, were confined to low paying unskilled professions and were prevented from entering into any form of capitalist production which may have altered the subordinate socio-economic and political position to which they had been assigned. These factors are important in terms of this study as they explain why in the urban areas today, blacks are in a position where they cannot afford to provide their own formal housing and improve their living conditions and community environments.

Geographic imperatives contained within the settler colonial social formation also determined the spatial relationships between the various 'race' groups within the urban areas. These relationships were characterised by the policy of segregation and urban containment and were designed to further maintain the dominance of the white settler population (Lemon 1991: 2). Forces of control at this time sought to restrict the access of the indigenous population to land and housing within the urban areas, control black urbanisation and restrict the economic and social development of black accommodation space. The structuring of the urban areas along these lines at this time formed the basis for the later policy of separate development (Apartheid). Within this context, the settler colonial State played a determinative and supportive role.

Therefore, with regard to the current black urban housing and community development crisis, the roots to this problem may be traced back to these past structural forces of control. The aim of this section is to identify the structural forces that shaped the settler colonial social formation and the geography of the urban areas that developed at this time. In this way it is envisaged that the underlying causes behind the current black housing and community development crisis will be made apparent.

2.2.2 Settler Colonialism - a Contextual Overview.

Expansion of its economic base by the Metropolitan power in order to provide essential raw materials for industrial growth, increased markets for goods produced as well as the extension of metropolitan society in general was the primary objective of, and motivation behind, settler colonialism. In its form however, settler colonialism differed from other forms of colonialism in the sense that it also entailed the transfer of a permanent body of settlers to the territory to be colonised. This occurred in conjunction with the transfer of technology, capital and political control and administration (Davies 1981: 1). It resulted in comparison to other forms of colonialism in a far greater degree of penetration and impact upon the 'invaded' territory, local resources and indigenous population contained within.

At the inter-territorial level, colonialism in this form was centred about the development of a relationship between the metropolitan power and the colony. The nature of this relationship was characterised by particular interactions, namely:

1. The transfer of raw materials and surplus value generated from within the colonial economy, back to the Metropole.
2. The transfer and imposition of Metropolitan control and administration over the colony.
3. The active transfer of specific factors of production required by the colony in order to initiate and perpetuate production here. Notably in this instance, the transfer of capital and technology.
4. The transfer of a permanent body of settlers to the colony. These persons were skilled and required to perform various tasks within the colony, such as in the spheres of administration and production. This transfer of settlers also resulted in the establishment and extension of the Metropolitan culture in the colony. The resulting cultural, racial and technological differences between the colonial and indigenous populations, played an important role in determining the nature of the

social relations that developed in the colonial society. On the one hand, discrimination against the indigenous population resulted, based upon these apparent differences. Furthermore, these differences also led to the perception that the indigenous population was “inferior” and hence available for exploitation. The exploitation of the indigenous population and their resources was consequently justified using these differences. Whilst not the only reason, this factor does to a certain degree promote an understanding of the specific social relations that developed in the colonial society.

These interactions facilitated the establishment and development of production within the colony along with various administrative structures. This in turn led to the growth and development of the settler colonial society along with its specific social order. The nature of this social order was reflected in the social formation that evolved. Together, these factors were encompassed within what may be termed the ‘settler colonial political economy’. In the absence of an indigenous urban tradition, these factors also gave rise to the development and growth of urban settlements within the colony. The reasons underlying this urban development and the specific nature of those settlements that occurred will be discussed later. Figure 2.1 illustrates a conceptual framework of settler colonialism.

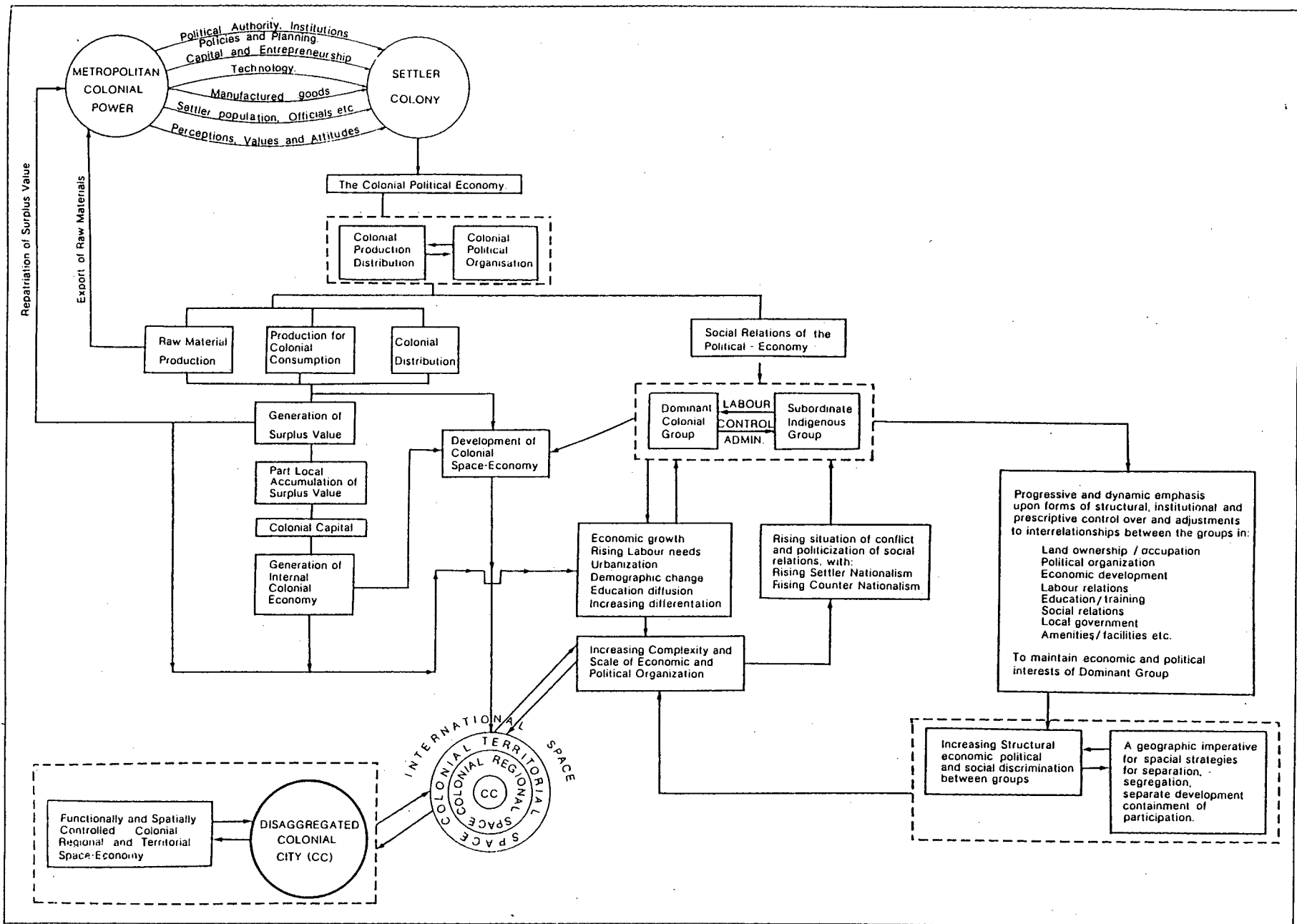
2.2.3 Settler Colonial Production and Land.

Central to the process of settler colonialism was the exploitation and utilisation of indigenous resources for production. This necessarily entailed the imposition of a *mode of production* to facilitate this production and exploitation. In most cases, production was based upon a set of relations or ‘functional linkages’ (Davies 1981: 1), between the mode of production of the Metropole and that of the colony itself. Produced goods or raw materials in this system characteristically flowed from the colony to the Metropole which in turn exported finished commodities back to the colony.

In order to support the settler population and provide for their consumer needs, production for this purpose was established in the colony itself. Resources derived from the colony to be repatriated back to the Metropole were also processed to varying degrees within the colony before being exported. Overtime, this production resulted in the development of substantial industries within the colony and the evolution of a domestic economy. This necessitated the development of a specific mode of production here which was usually similar to that existing in the Metropole. In the case of colonisation by the Western European powers the mode of production implemented within the colonies was capitalist in nature. This mode of production for various reasons, such as the specific historical circumstances out of which it developed, certain cultural and technological variables and human agency differed in important respects from that of the Metropole and the indigenous population (Davies 1989: 1).

Essential to the process of capitalist production are four main variables or what may be termed 'factors of production.' These factors of production are land, labour, capital and entrepreneurship. In the process of production these variables are combined in varying quantities in order to produce the desired output. Under the settler colonialist capitalist mode of production capital and entrepreneurship were readily available having been transferred from the Metropolitan power during the initial stages of the colonisation process. In addition, the Metropolitan power also acted as an ongoing source of these two variables throughout the period of colonisation.

Figure 2.1
A Conceptual Framework of Settler Colonialism.



As regards the factors of production of land and labour however, the colonised territory was perceived to be the source of these two variables. The availability of these variables in the colony was in fact one of the primary motivational forces behind colonisation. Those transfers that occurred between the Metropole and the colony, in effect, provided the missing variables (capital and entrepreneurship) needed by the capitalist production process to fully utilise and develop those factors of production as they occurred in the colony. Production in a foreign territory using foreign land and labour to produce goods and surplus value to be repatriated back to the Metropolitan power was therefore the essence of settler colonial production. Little heed was subsequently given to the indigenous mode of production and the products thereof.

According to Davies (1981: 4), in order to establish the colonial mode production and promote its growth, it was necessary that indigenous space and society be *penetrated*. This penetration was necessary in order to secure relatively unimpeded access the indigenous resources (land and labour) needed for production (Davies 1981: 4). Capital investment was directed towards the development and utilisation of these resources which in turn provided the basis for domestic production, export and the generation of surplus value.

As indicated, much of this surplus value and commodities produced were repatriated back to the Metropolitan power. However, a proportion of this output was reinvested back into the domestic economy which in turn facilitated its own development and growth. The domestic economy also served as a market for part of this production. Consequently, due to the importance of these indigenous resources to the colonial production process control over land ownership and occupation (land being that asset containing these resources) was exerted by the colonial administration. This served to protect the interests of the colonial mode of production and facilitate the continued utilisation of these resources (Davies 1981: 4).

The means by which this penetration occurred was through the process of land alienation. Through this process land was alienated or removed from the indigenous population, through coercive means if necessary, and placed under colonial control. This ensured the continued availability of land resources to the production process (agriculture, minerals). At the same time the indigenous mode of production and society (which also depended upon access to these resources) were reduced to a secondary role although unique forms of articulation did evolve. Overtime, the indigenous mode of production was largely destroyed. In many instances the indigenous population was also impelled to enter into the cash economy through the obligation to earn wages in order to pay various colonial taxes (Arrighi 1970: 197).

Consequently, the combination of these factors led to situation in which the indigenous population was forced to sell their labour power to the colonial production process in order to secure a livelihood. In this way the colonists were able to not only gain access to the land resources of the colony but also to a cheap supply of labour to work these resources.

This factor is pertinent in terms of this study. The reason for this is that not only did this calculated effort on behalf of the colonial administration to secure a cheap labour force do just that, but it also marked the beginning of black urbanisation. As shall be explained later on in this work, colonial production both necessitated and culminated in the development of urban settlements in which industrial production could occur. As these urban areas were the locus of production, black labour was thus also needed in these areas. Blacks were therefore forced to migrate from their traditional areas of residence to these colonial urban areas where they were employed.

The purpose of this land alienation and subsequent control was therefore twofold:

1. It provided the necessary resources upon which the colonial mode of production was dependent, thereby facilitating both the continued availability of these resources, as well as the development and growth of this production process.

2. It ensured the continued supply of cheap unskilled labour needed by the colonial production process. Hence in this way, both land and labour were made available to the colonial mode of production, thereby facilitating its growth and success.

This process whereby the indigenous mode of production and society was penetrated, also marked the beginnings of increased control over the indigenous black population and the development of a *dominant-subordinate* relationship between the colonial settlers and this population group. The primary aim of the increased control over and subjugation of this group was to facilitate the continued utilisation of these resources (land and labour) by the settler colonial mode of production. This in turn enabled the perpetuation of the settler colonial society and the economic, social and political empowerment of individuals contained within this population group. To this end the settler colonial State played an important role. It is to an assessment of this role that this work now turns.

2.2.4 The Role of the Settler Colonial State.

According to Davies (1981: 4), with reference to the above mentioned processes, “the State in its Metropolitan and colonial contexts (played) a determinate, supportive and enabling role that (was) crucial to the success of the colonial enterprise” (Davies 1981: 4). The single most significant characteristic of the colonial government was that it represented only the interests of the settler colonial population. Its actions were thus directed towards this end and towards facilitating and perpetuating the dominant mode of production and the relationships that arose out of it between the settler and indigenous population groups. In doing so, the State actively maintained the dominant-subordinate relationship that evolved in this society. The effects of this were far reaching and moulded virtually every aspect of this colonial society affecting each individuals relation to the mode of production, access to resources, living conditions and the geography of the colonial urban environment.

Considerable constraint was placed upon the actions of the indigenous population by the State. Access to land and other resources within the colony was controlled by the State. The indigenous population was denied access to these resources and in particular alienated land. Alienated land in this instance refers to that portion of land within the colony placed under the control of the State and whose resources were used in the colonial production process.

Access to alienated land by the indigenous population was constrained in two principle ways:

1. This group was denied access to land through the costs involved in participating in the land market. Without access to high paying jobs, this population simply could not afford to purchase land within alienated space.
2. The State actively regulated the degree to which this population group had access to land within this alienated space.

Within alienated space colonial production was established through the initiation of specific units of production such as businesses, farms and factories. State intervention also prevented the indigenous population from engaging in the formation of these business enterprises (Davies 1981: 4). The reason for this was that the development of indigenous business enterprises would have posed as competition to the colonial enterprise and over resources and profit. The profit maximising ability of colonial enterprise would have been diminished in this way.

In addition, the establishment of indigenous enterprises would have threatened the dominant-subordinate relations inherent in the colonial society as it would have led to the economic and political empowerment of this subordinate group (Davies 1981: 4). To this end, the indigenous population were also denied all political rights and most notably the right to participate in democratic elections. The subordinate economic and social status of

the indigenous population was therefore through State intervention maintained at a level where it could be controlled by the colonial State for the benefit of the colonial mode of production.

Concomitantly however, black enterprise did find an economic foothold in certain lower skill job categories and the 'informal sector.' Owing to the fact that the urban indigenous population was barred from entering the formal business sector and confined to low-paying jobs informal businesses were established by blacks to supplement the incomes they received (Davies 1981: 7). This type of business activity was orientated about small scale street vending and home based production.

Hence, the role of the State in this settler colonial context was primarily to protect the interests of the production process and colonial society. To this end the State actively engaged in measures designed to maintain and perpetuate the dominant-subordinate relations inherent within this order. The indigenous population was maintained in a subordinate position from which they posed no threat to the authority of the State, the profitability of the colonial mode of production and the settler way of life.

Apart from the controls outlined above various other measures were used to contain the indigenous population in a subordinate position. These measures are apparent in the settler colonial social formation and in the way in which the colonial urban settlements were structured at this time. As shall be demonstrated later, the structuring of these settlements was largely dependent upon geographic imperatives arising out of these restrictive measures.

2.2.5 The Settler Colonial Social Formation.

Introduction.

Along with the mode of production the social formation was one of the primary structures inherent within the settler colonial political economy. Within the social formation were contained the social relations that developed within the political economy. These relations refer to the nature of the interactions that occurred between the dominant settler population and the subordinate indigenous population. The nature of these interactions was determined by the need to maintain and perpetuate the relations that existed between these two groups.

Consequently, the nature of the social formation may be seen as having been the *structural* outcome of the specific social interactions that occurred between these two population groups. Because these interactions were governed by the dominant-subordinate relations that had been established within the colony, the specific social formation in the settler colonial context was as a result also the product of this relationship.

The nature of the social formation will be examined in this section but at this point it is important to point out that whilst this structure was the outcome of these dominant-subordinate relations, it was also designed to maintain and perpetuate this relationship. This was achieved through the imposition of *controls* and *restrictions* upon the indigenous population within the social formation. These constraints were intended to prevent the indigenous population from becoming upwardly mobile within this structure and from rising above the subordinate socio-economic position in which they had been placed. This analysis is important within the context of this study as it assists in explaining the origins of the 'poor' socio-economic characteristics of the black urban population today.

The aim of this section is to examine the nature of the settler colonial social formation in order to identify the restrictions that were placed upon the upward mobility of the indigenous population. The purpose underlying the identification of these restrictions is twofold:

1. These restrictions contained geographic imperatives which influenced the way in which the colonial built environment (and particularly the black urban locations within this environment) was structured. Hence in order to ascertain the reasons underlying the structuring of this built environment, one must first establish the nature of these restrictions. The importance of this will be made clear further on when it will be demonstrated that the actual structure of the built environment served to further entrench these restrictions and hence the dominant-subordinate relation.
2. These restrictions prevented the upward mobility of the indigenous population, and hence maintained this group in a lower 'class' (or subordinate socio-economic position). The result was the *creation* of a population group confined to a position of relative socio-economic poverty and from which they had no means of 'escape.' These restrictions therefore had the effect of shaping the social and economic characteristics of the indigenous population group. In addition, these restrictions also had specific negative effects upon the housing, community and living conditions of the urban indigenous population, contributing to the housing and community development crisis evident in the black urban locations today.

The Nature of the Settler Colonial Social Formation.

When considering the nature of the colonial social formation it is important to note that this phenomenon was located within the context of a political economy based upon capitalist production. According to Davies (1981: 9), the primary structural determinants of this social formation were class division and its derivatives in socio-economic

stratification. Class division refers to the evolution within a society of different *socio-economic* strata or classes to which individuals may be ascribed according to their socio-economic characteristics and their relation to the mode of production. Three primary classes may be identified, namely:

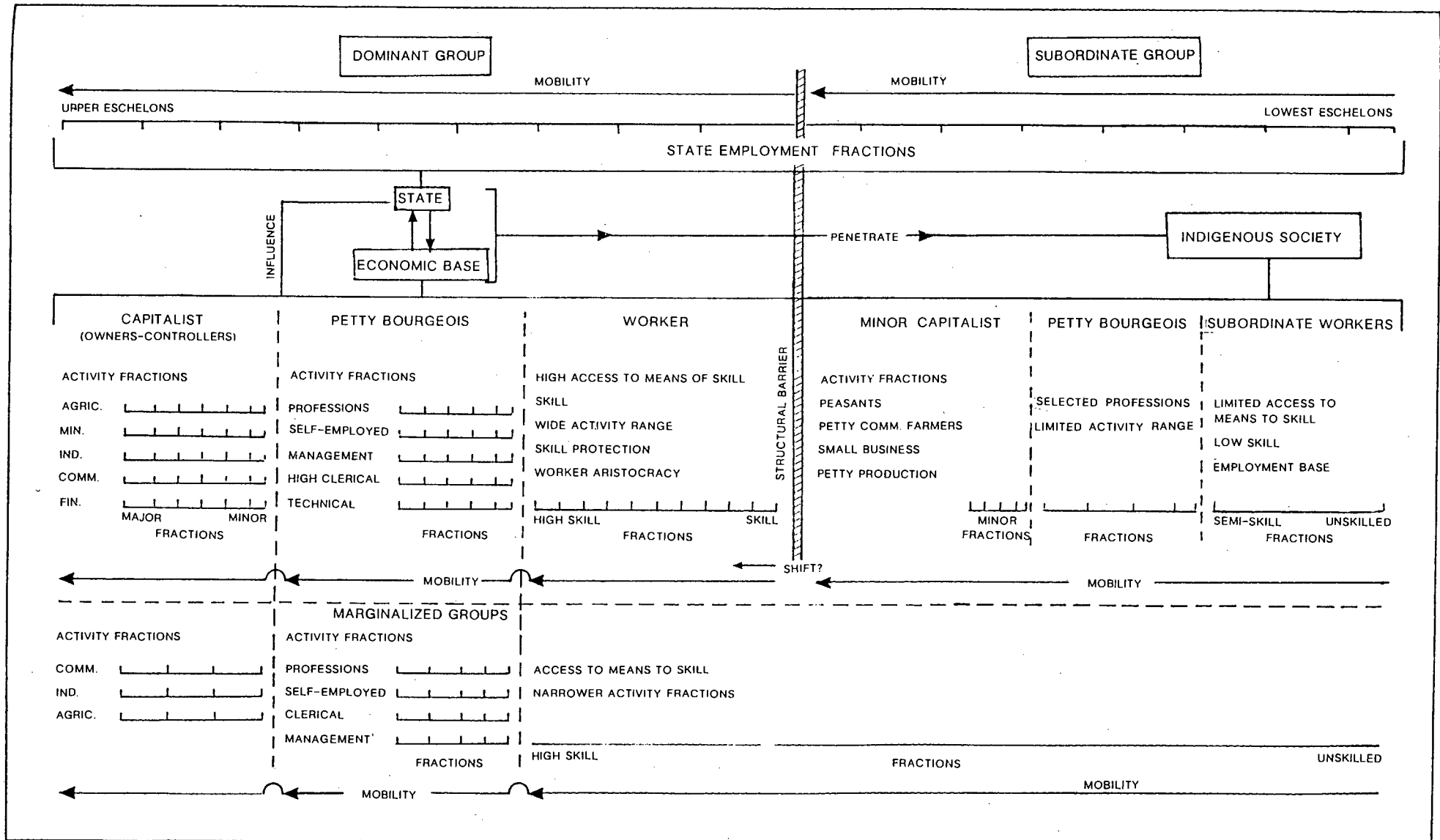
1. The *capitalist* class (owners of capital and the means of production).
2. The *petty bourgeois* class (small business owners as well as service providers such as doctors and lawyers).
3. The *worker* class (those individuals who do not own or control the means of production or capital but instead sell their labour on the labour market to those individuals in the two former classes).

Together, these classes and the interactions that occur between them are collectively termed the 'social formation.'

Within this structure the mobility of individuals is apparent. As in any capitalist society individuals may move between different classes and between different fractions within the same class. A worker for example may, with training, move from the category of unskilled labour to that of skilled labour. In the same way a member of the worker class may through the accumulation of wealth form a new business entity and become a member of the petty bourgeois or capitalist class. The primary determinant governing the propensity of individuals to move between classes and the different fractions within classes is the degree to which individuals have access to factors facilitating this movement. These factors include education and training, level of income, occupation type, the ability to accumulate capital and the availability of jobs. As such, these factors facilitate the *upward mobility* of individuals within the social formation.

Figure 2.2 illustrates the nature of the settler colonial social formation. This structure was divided upon racial lines into two distinct sub-sections, pertaining to the settler population and the indigenous population. Class division was apparent in each of these sections. However, of importance was the fact that a structural barrier existed between these two groups.

Figure 2.2
The Nature of the Settler Colonial Social Formation.



This structural barrier effectively prevented the upward mobility of the indigenous population into those socio-economic or class positions held by the settler population. According to Davies (1981: 11), "it is here that class formation and race become inextricably linked". Consequently, whilst mobility between the classes contained within each sub-section was possible, it was impossible for example, for a member of the indigenous worker class to enter into or obtain the socio-economic characteristics associated with the settler capitalist, petty bourgeois, or worker classes. In this way the indigenous population was confined to the subordinate socio-economic positions to which they had been ascribed.

In effect this structural barrier consisted of restrictions that were placed upon the indigenous population. These restrictions included:

1. Constraints upon access to education and training. Without such training, individuals within the subordinate group were unable to attain jobs other than the unskilled occupations in which they were employed. In addition, because higher incomes are generally associated with occupations demanding increased skills the indigenous population was also confined to low paying jobs.
2. Job reservation. In terms of this policy, certain skilled and semi-skilled jobs were reserved for the benefit of the settler colonial working class. Indigenous workers were thus prevented from entering into these occupations.
3. Restrictions placed upon the ability of the indigenous population to own or initiate capitalist enterprises and engage in capital formation.

It is therefore evident that through these restrictions the indigenous population was prevented from being upwardly mobile in terms of their socio-economic status. Most individuals within this group were therefore confined to low-paying unskilled occupations and rendered to a position of relative socio-economic poverty. In this way the dominant-subordinate relations within the political economy were maintained and

perpetuated. Furthermore, it is also evident that the nature of the settler colonial social formation was not the outcome of 'natural' class forming processes but that it was instead moulded by the State to the benefit of the settler population.

The restrictions placed upon the indigenous population in the social formation were further entrenched in the way in which the settler colonial city was structured, and in particular the black residential areas contained within this urban form. It is therefore to an examination of the settler colonial city that this work now turns.

2.2.6 The Settler Colonial City.

Introduction.

Central to the theme of understanding urban geographical structure is "the precept that it is both a social product and a function of the structural forces of the society within which the city is set" (Davies 1981: 33). Consequently, in order to understand the specific form of South African urban settlements and in particular the geographic and demographic characteristics of the black residential areas contained within them, it is necessary to identify the structural forces that have in the past shaped these urban forms. The aim of this section is to identify these structural forces and demonstrate the way in which they gave rise to the particular characteristics associated with the settler colonial city. Emphasis will be placed upon the nature and location of black accommodation space within these urban forms. This analysis is considered important as the concepts underlying the structuring of these colonial urban settlements provided the basis for the later cities of Apartheid.

According to Davies (1981: 33), "urban geographic structure and organisation will be generated primarily by geographical imperatives embedded in the mode of production, the political order within which it operates and in the contingent social formation of society, overtime" (Davies :33). The actual morphology of any particular settler colonial

urban area will also be influenced and moulded by human agency, the constraints imposed upon it by the physical environment and by the historical circumstances out of which it arose.

The preceding analysis of the settler colonial socio-economic and political order has facilitated the identification of a number of relational forces inherent in the political economy. These were pertinent in structuring the functional form of the colonial *society*.

These forces are:

1. The establishment and subsequent promotion of the capitalist political economy and its inherent mode of production. This resulted in the destruction of the indigenous mode of production for the purposes of securing colonial access to the resources of the colonised territory, namely land and labour.
2. The transfer of a permanent body of settlers to the territory to be colonised. This resulted in the juxtaposition of peoples with different ethnic, cultural and technological backgrounds which in turn led to discriminatory practices along the lines of these 'racial' differences.
3. The emergence of dominant-subordinate relations between the dominant settler and subordinate indigenous populations. This feature may be seen to be the primary structural relationship of the colonial social formation in both the political and economic spheres. Class formation also occurred in this structure and was transactional with race and ethnicity.
4. The progressive imposition of state control over the indigenous population in order to ensure the maintenance and perpetuation of the colonial order and 'way of life.' The State in this context played an important role in structuring the

colonial society. More importantly, the State was primarily concerned with maintaining and perpetuating the colonial social formation and with protecting the economic, social and political interests of the dominant settler population group.

5. The creation and extension of alienated colonial space through coercive means if necessary. Within this area the economic objectives of settler colonialism could be met and furthered. The unalienated space surrounding this area was subsequently perceived to be the area in which the indigenous population could be maintained and reproduced. In this way, this area would operate as a reservoir of cheap labour.

(Adapted from Davies 1981: 33)

Inherent within these forces were certain geographic imperatives that determined the structuring of the settler colonial city (Davies 1981: 34). In this sense the term 'geographic imperatives' refers to those factors inherent within these relational forces which called into existence particular structures within the urban environment. For example, the socio-economic and political restrictions placed upon the indigenous population in a bid to maintain and perpetuate the dominant-subordinate relations contained within the political economy necessitated the fact that the urban environment be segregated. Segregation in this sense refers to the physical separation of the settler and indigenous population groups within the urban environment. Segregation was thus the primary geographic imperative arising out of the need to maintain the dominant-subordinate relations. This factor is probably the primary morphological characteristic of the settler colonial city.

In essence, the segregation of these race groups was the physical extension of the separation that occurred within the political economy regarding their social, economic and political status and control of power. Consequently, whilst the separation that occurred within the political economy served to maintain and perpetuate the unequal

structural relations within the society and hence the dominant-subordinate relation, the same may be said for the physical segregation that occurred within the urban environment.

The precise manner in which this segregationist policy achieved this end will be examined in the remainder of this chapter. This examination is particularly important within the context of this study as it reveals how within the urban domain the black population was confined to the subordinate socio-economic and political position in which they had been placed and how this position was maintained. It will also demonstrate the way in which this confinement resulted in the creation of a black urban population constrained in their ability to economically and socially uplift themselves and improve their housing and living conditions. At the same time, this examination will also shed light upon the housing and living conditions of the black urban population as they developed under the settler colonial State.

The Structure of the Settler Colonial City.

As indicated, the structure of the built environment was underpinned by the structural relations of the economic, social and political forces inherent in the settler colonial society (Davies 1981 : 39). One important characteristic of this built environment was the noticeable differentiation that occurred in the processes through which it was developed *by* and *for* the dominant settler population and *for* the indigenous subordinate worker population.

The colonial cities were constructed by the settler colonial population for the functions they contained which in turn served the colonial mode of production. They were perceived to be the 'domain' of the settler population and not that of the indigenous population. In this urban realm, the presence of the indigenous subordinate population was only tolerated for the labour they provided to the industries and services located

there. As such, "they would live as a migrant and temporary sojourner group, and be denied the full rights of colonial settlement, including rights to land ownership - the ultimate means of attaining functional control" (Davies 1981: 37).

The outcome of this understanding was reflected in the actual structure of the built environment and in the separate and unequal development processes that occurred in the urban locations occupied by the settler population and in those *provided for* the accommodation of the indigenous population. A *dualistic* urban development process subsequently arose based upon the racial differences between the two population groups. This is important when considering the location of the residential areas occupied by the indigenous population, the nature of and living conditions within these areas and the functional relations between them and the remainder of the built environment.

Figure 2.3 presents a conceptual model of the settler colonial city. The geographic imperative of racial segregation is evident in the structure of the built environment and particularly in the locational aspects of the various residential areas contained within it. What is most apparent is the distinct separation of the white settler residential areas from those areas reserved for residential use by the black indigenous population. As in most Western cities, the white residential areas were divided into areas occupied by high, middle and low-income earners. This 'natural' division of these residential areas into these income categories reflects the operation of the land market and to which only the white settler population had rights to access.

The developing land market played an important role in the structuring of the built environment and in particular the white settler residential areas. Through it the development of alienated space (contained within the urban jurisdictional boundary) by the settler population could take place freely. Residential land was attributed a value depending upon its location and physical attributes. Access to this land by the settler population was constrained only by socio-economic status and income (Davies 1981: 39). As a result of land use separation through the mechanism of zoning, urban sub-markets

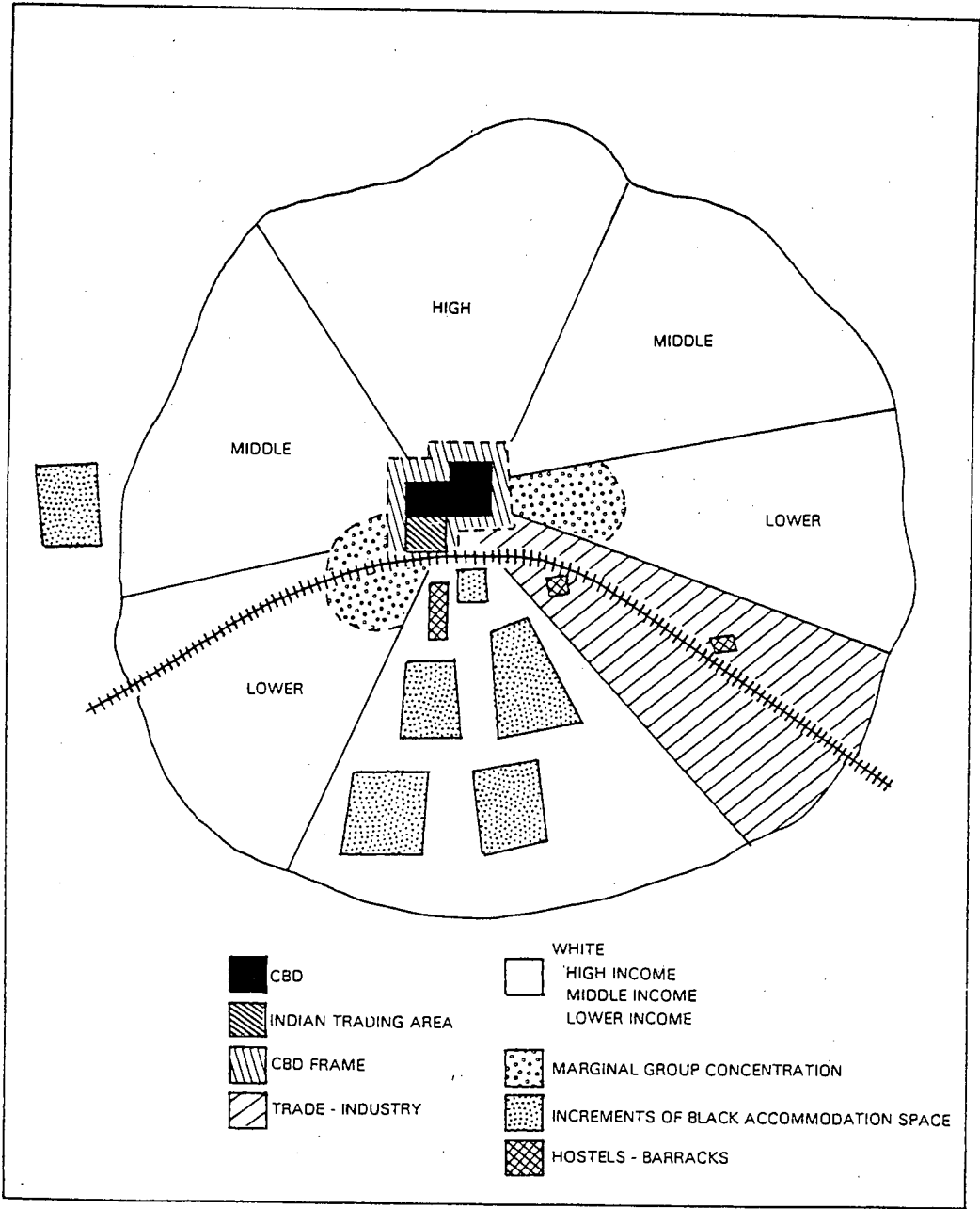
operated for industrial, commercial and business uses and for 'coloured' and 'Indian' areas. As indicated earlier, blacks had no access to any urban land market. The outcome was the development of separate white settler residential areas reflecting the income levels of the settlers who lived in them. High, middle and low white residential areas of different densities, housing types and levels of service provision subsequently evolved.

The development of these residential areas ultimately necessitated the development of particular Local Authorities. Apart from their role as providers of basic services to the residents in these areas, these Local Authorities also exerted control over the development of the built environment (Davies 1981 : 41). The development of the built environment and particularly those areas occupied by the settler population was influenced by these two factors, those being the land market and the controls imposed by relevant Local Authorities. Privately owned land located beyond the Municipal boundary was not constrained by this Local Authority control although being located within alienated land, it was accessible only to the settler population.

In terms of accommodation space therefore, the white residential areas were relatively free to expand and develop according to the needs and financial capabilities of the settler population living within them. Housing standards in these areas were subject only to the standards set by the Local Authorities operating in these areas and the income of the residents here. Being the dominant population group and having access to the full rights of capital accumulation and occupations yielding relatively high incomes, housing and living standards were 'good' in these areas and especially in the high income areas. The rates and taxes paid to the Local Authorities operating in these white residential areas provided the necessary income for the provision of basic services as well as the maintenance and upgrading of these services.

The black residential areas by comparison, displayed marked differences from those occupied by the white settler population. It is to a description of these areas that this work now turns.

Figure 2.3
A Conceptual Model of the Settler Colonial City.



Source: Davies 1981: 42

The Provision and Nature of Black Accommodation Space.

Previous sections in this study have shown that the indigenous population was impelled to urbanise and to provide labour to the white settlers and their industries located within the urban environment. Concomitantly however, the dominant settler population did not perceive this urban population group to have a role as “primary generators of the urban market economy or to be people who could be naturally assimilated and developed in the composition of the evolving city” (Davies 1981 : 60). As an urban labour force, they were however essential and had to be accommodated in the city. Davies (1981 : 60) goes on to state that despite this, “their lives and urban existence were to be structurally constrained by the fundamental relations of dominance and subordinacy upon which the society was based” (Davies 1981 : 60).

A number of controls were therefore placed upon the development of black accommodation space within the urban environment. These controls affected the location, development and living conditions within these areas. The following paragraph illustrates the nature of these controls:

1. The existence of structural control, regulation and supervision over the development and operation of the black residential sector.
2. The generation of black accommodation space designed to contain only those individuals needed as a labour force. Space was therefore not provided for the accommodation of a surplus urban indigenous population. This factor also regulated the type of accommodation that was provided, that being of a residential and dormitory composition.

3. The creation of a segregated residential sphere which would serve “as a means through which blacks could be appropriately socialised into their prescribed economic, political, and social roles in society” (Davies 1981 : 60). To this end blacks were confined to specific locations within the urban environment.
4. The development of a black residential *environment* that would restrain the growth of indigenous political influence and competitive capital formation and accumulation.
5. The establishment and institution of a housing delivery process designed to meet the needs and socio-economic status of the urban indigenous population.

(Adapted from Davies 1981 : 60.)

These factors directed and regulated the development of the black residential areas resulting in the forms evident in the colonial city. They may also be viewed as the ‘guidelines’ along which the provision and nature of black accommodation space was based. In turn they are consequently also the *outcomes* of this process. These controls were self perpetuating and as such were designed to maintain and reproduce the dominant-subordinate relations inherent in the society.

Following from these controls, black accommodation space within the urban environment was segregated and separated from the remaining urban areas. This was particularly apparent in terms of its proximity to the white residential areas. Through this segregationist policy blacks were permitted to reside only within designated areas of the city. These areas were characterised by the fact that they were in most cases located on the periphery of the city or close to the industrial zones. With regard to the latter, this was intended to provide easy access to places of employment. In some instances hostel or barracks accommodation was also provided within the industrial zone itself. Blacks living in areas situated upon the periphery of the city were required to commute daily to their places of employment.

Apparent in the figure 2.3 is also the fact that the black residential areas were smaller in comparison to the white residential areas. This followed the notion that these areas were intended to accommodate only that number of black workers needed by the industries and services located within the city. Space for the accommodation of an 'excess' black urban population was not provided. In addition, black residential areas were not permitted to freely expand into the surrounding urban space. Consequently, in comparison to the white settler population, blacks did not have the right to generate their own accommodation space through participation in the land market. The provision and location of this space was instead strictly controlled by the State.

Blacks with differing socio-economic characteristics were also contained within the same residential areas. This stands in contrast to the white residential areas in which suburbs containing individuals of a *similar* socio-economic disposition developed. This had the effect of discouraging 'wealthier' individuals from improving their living and housing conditions. In addition, because housing was provided by the State, blacks were not motivated to improve their socio-economic status. Motivation to do so may have been provided through the possibility of acquiring 'better' housing.

Formal planning for the future accommodation of the indigenous population was not generally undertaken. Accommodation space was instead provided on an *ad hoc* incremental basis. As the number of blacks within the city was subject to labour needs the provision and size of black residential areas closely followed the expansion of the economy and the settler population. This accommodation space was derived from unutilised land falling within the jurisdiction of relevant Local Authorities, or from land held by the State. Land for this purpose may also have been purchased by the State through the land market (Davies 1981: 65). The location and quality of this land was carefully assessed in order to ensure that it did not infringe upon the white residential areas or the needs, social and economic requirements of this population. As such, land chosen for this purpose was generally of lower quality (prone to flooding for example).

Housing for this urban labour force was provided by the State or employers. Black housing usually took the form of either hostel accommodation or small single storey brick houses. This accommodation was of a lower standard in comparison to that occupied by the white population and received only basic services. Owing to the fact that blacks were not permitted to own land within the urban environment this accommodation was provided for on a rental basis. The denial of land and home ownership rights had the effect of discouraging blacks to invest in and maintain the houses they occupied. This led a deterioration in the quality of this living space overtime.

In addition, the residential environments in which this housing was located were largely undeveloped by the State. The provision of schools, medical centres, recreation facilities, Municipal infrastructure and public amenities was kept to minimum. Many of these areas were also denied adequate Municipal representation. Capital investment in the form of white owned business entities such as retail outlets and manufacturing enterprises was also discouraged from locating in the black areas due to the restrictions placed upon land ownership. Consequently these areas were not incorporated into the overall economic development of the city (Davies 1981 : 65). In this way the socio-economic upliftment of blacks within these areas through job creation and training was prevented. In light of the fact that blacks were perceived to be only temporary residents in the urban environment the State saw no need in developing these areas into viable self-sustaining and progressive communities.

Consequently it is evident that in terms of location, housing standards, living conditions and development there existed marked disparities between the black residential areas and their white counterparts. These inequalities were one of the primary features of the settler colonial urban environment. They not only reflected the existence of the dominant-subordinate relation, but also served to further entrench and perpetuate this relationship. Blacks were therefore marginalised in the urban context, and forced to reside in high density areas possessing low quality housing with minimal access to basic services and public amenities.

2.2.7 Conclusion.

The previous sections within this chapter have attempted to outline the theoretical precepts of settler colonialism as it occurred within the South African context. Attention has been drawn to the processes inherent within this order and the relationships that existed between the various structures that evolved. It may be cogently argued that the underlying causes of the present housing and community development crisis may be found in the structural relations that developed at this time between the indigenous and settler populations.

It has been demonstrated that one of the principal features of the political economy and in particular the social relations embedded within this structure, was the dominant-subordinate relationship. This relationship was founded upon the need to subordinate the indigenous population in order to facilitate relatively unimpeded access to land resources and cheap unskilled labour. In order to maintain and perpetuate this relationship a number of controls were placed upon the indigenous population. These included controls over:

1. Land ownership and occupation.
2. Political organisation.
3. Economic development.
4. Labour relations.
5. Education and training.
6. Social relations.
7. Local government.
8. Access to public services and amenities.

In this way blacks were prevented from engaging in capital formation and accumulation and from altering the subordinate socio-economic and political position in which they had been placed. As such they presented no threat to the settler colonial State, production process or 'way of life.' Through these means the black population was marginalised and rendered to a position of relative socio-economic poverty.

The marginalisation of this population group was also apparent in the structuring of the colonial built environment. This environment was structured in accordance with the need to maintain and perpetuate the dominant-subordinate relations and specific socio-economic characteristics of the urban indigenous population. Perceived to be only a temporary migrant sojourner group within these areas, blacks were prevented from owning land and from generating their own accommodation space. The provision of this space as well as that housing contained within was subsequently strictly controlled by the State.

Located upon the periphery of colonial cities this space was designed only to house a temporary urban labour force. Houses constructed by the State in these areas were consequently of a low standard with minimal access to basic services and public amenities. Furthermore, blacks were prevented from owning these houses. Little attention was given to the economic and social development of these areas and to the creation of viable and self-sustaining community environments in which blacks could uplift themselves and improve their living conditions.

The result of these measures was to generate a black urban housing environment in which not only were people inadequately housed, but in which there also existed little means and incentive to improve these conditions. This situation was later compounded by the measures adopted by the State during the Apartheid era. These measures were used to further reinforce the subordinate socio-economic status of blacks and their

impermanence within the urban areas. As such, it is possible to argue that during the settler colonial era the black residential areas were rendered to a position in which they were made susceptible to the evolution of a housing and community development crisis. It is for this reason that the current housing crisis may be seen to be rooted in the processes that occurred at this time.

2.3 SOUTH AFRICAN SETTLER COLONIALISM.

2.3.1 Introduction.

The preceding discussion of settler colonialism tended to be ahistorical, non-specific and to obscure the dynamics of change. The ensuing discussion will address this, briefly outlining how the structures and processes of settler colonialism evolved in South Africa. Concomitantly it will provide a contextual basis for understanding the measures that were adopted and initiated during the Apartheid era as they pertain to the indigenous population and particularly those concentrated within the urban areas.

The premise upon which this section is founded is that the settler colonial period provided the basis upon which the Apartheid urban policies adopted by the Nationalist Government were formed. Hence, while for the purposes of this analysis these different era's have been dealt with separately it is important to note that strong threads of continuity exist between them, "so strong, indeed, that they are likely to exert a profound influence even on the post-Apartheid city" (Lemon 1991:1) which began to emerge in 1979.

The approach of this section will be to trace the historical development of the settler colonial structures already outlined beginning in the mid 1880's and ending in 1950 when the Group Areas Act was promulgated. Thereafter, the evolution of these structures within the context of Apartheid will be discussed. Concomitantly, attention will be drawn to the effects these structures had upon the black urban population and their lives and

living conditions within the urban environment. In this way the evolution and development of the current black urban housing crisis will be demonstrated. It is important to note that the following discussion will be brief and is not intended to provide a detailed account of South African history in this regard. This history has already been well documented by a number of authors including amongst others Nash (1976), Davenport (1971), Christopher (1984), Parnell (1989) and Simon (1984).

2.3.2 Early Urbanisation and the Colonial Phase (Pre-1910).

The history of South African urban settlements may be traced back to the beginnings of the settler colonial period in 1652. In the absence of any indigenous urban tradition the only urban settlements that were established during this time were done so by the white settler population (Lemon 1991:1). Those indigenous urban settlements that did exist were by nature small non-rural villages, such as those of the Tswana and Zulu kingdoms. These settlements however lacked the commercial and financial land uses associated with the European settlements of this time and which define the mix of land uses necessary for the appellation 'urban' (Mabin 1992:13).

From the 1830's and onwards however, the expansion of colonial production and exports resulted in the growth of the settlements established by the settler population and in particular, those located upon the coast, such as Cape Town, Port Elizabeth and Durban. Subsequent expansion into the interior by these settlers in a bid to discover additional resources and to extend the authority of the colonial State resulted in the penetration of the indigenous societies and the destruction of the traditional mode of production (Davies 1981: 1). At the same time, colonial control was also placed upon this population. By the 1850's, the declining independence of these communities through these measures, as well as increased interaction with the white settler population through exchange and labour contracts, rendered it necessary that both individuals and communities move to the settler towns and to engage in the growing wage-labour economy located here.

This process of black participation (as labour) in the colonial economy and commercial enterprises located within the towns marked the beginnings of the black urbanisation process and the migratory system that developed in the country. This process however, occurred slowly and the rate of black urbanisation was not characterised by a sudden influx of black workers into the towns. Instead, until the early part of the 20th century the percentage of urban Africans remained constant at 12 to 13 percent (Lemon 1991:2).

During the 1850's however, the rate of black urbanisation in particular locations did increase. This occurred in response to rapid economic growth within the country and urban areas at this time as a result of foreign investments and the discovery of diamonds in Kimberly and gold in Johannesburg (Mabin 1992:14). The growth in the mining industry facilitated economic growth in the country as a whole increasing the overall demand for labour. This in turn led to the increased recruitment of blacks within the towns where functionally linked industries were located and the expansion of these urban areas.

Formal accommodation for this urban black population was provided in compounds. This system was particularly prevalent on the mines. In other urban areas the compound system was also used to house the urban black worker population such as those employed in municipalities, factories, warehouses and docks (Lemon 1991:3). Most of these workers were subjected to the contract system which prescribed that they would engage in a contract to work in the industry for a certain amount of time returning to their rural locations and families upon termination of the contract. Concomitantly, many blacks who had migrated to the urban areas without contracts in search of employment located themselves upon the periphery of the towns where they established informal shack houses. Formal State regulation of black urbanisation was not established until 1923 and until then no comprehensive policies towards accommodating this black urban population existed (Lemon 1991:3).

Consequently, even in the mining towns where compounds had been established many blacks sought accommodation in locations outside of these compounds. According to Lemon (1991:3), many black workers employed in these locations were also housed in municipal townships, in freehold or leasehold townships located upon privately owned land or as tenants on white owned properties. Hence while blacks were prevented from owning land, at this stage there existed no formal legislation controlling the location of these people in the urban areas. Consequently, various options were open to them as regards accommodation and they located themselves wherever they could find space.

During this period, although no formal clauses concerning black residents were included in the Village Management act of 1881 or the Municipal Act of 1882, many village boards or town councils did express concerns about the location and nature of these informal black settlements (Morris 1981:6). While black urban settlement was largely uncontrolled segregationist pressures did grow slowly and in some urban areas a limited number of segregated townships did develop. In Cape Town for instance, although the Municipal Statute of 1893 made no comment as regards black locations, fear of plague resulted in the relocation of six to seven thousand blacks from barracks within the city to a location outside the city called Uitvlugt (later renamed Ndabeni). When in 1902 it was established that the possibility of plague had passed the State decided to prevent these residents from returning to the site from which they had been relocated and in terms of the Native Reserve Location Act of 1902 transformed Uitvlugt into a black urban location under the control of the central Government (Morris 1981:6).

In addition, the Act provided the Governor with the power to proclaim black locations within the urban Municipal areas. Blacks were subsequently compelled to live in these areas in which overcrowding and influx were also controlled (Morris 1981: 8). This Act also provided for the provision of properly constructed houses, educational and medical services, public transport and controls over trade. While this Act did not allow blacks

within these locations to own land, certain amendments in 1905 did allowed the relevant Local Authorities to grant leasehold or freehold title rights to blacks wishing to build their own houses.

Hence it is evident that during this era the State adopted a relatively moderate attitude to blacks located within the urban areas. Control over black urban residents developed slowly but segregationist policies did evolve and were practised in some areas. It is also apparent that some provision was made for the upkeep of these black locations in terms of service provision. At the same time however, the dominant-subordinate relations of the society were re-affirmed and blacks were still regarded as temporary labourers and residents in the cities. As such they were not granted the same degrees of 'freedom' enjoyed by their white urban counterparts.

2.3.3 The Union Government and the Period 1910-1922.

Following the defeat of the Boer Republics by the British during the South African War (Boer War) of 1899 to 1902, the path towards a unified and more effective State was opened. The Union Government was formed in 1910 and took control of the now unified territories of the country forming the Union of South Africa. Consistent with its racist constitution blacks were denied the right to vote, a privilege confined to the white population of the country (Mabin 1992: 15).

The 'native policy' adopted by the Government was centred around the issue of land the cornerstone of which was its land policy. The measures implemented through this policy were according to Mabin (1992:16) to have the long-term effect of "further entrenching the circular migration system" (Mabin 1992:16) that had evolved. Prior to Union, the four independent colonies within the territory (Natal, the Orange Free State, Transvaal and the Cape Colony) had provided land, set aside in rural 'reserves,' for the accommodation of the black population. The 1913 Land Act provided rural land upon which the black population could live and sought to increase the size of these reserves.

From these reserves, migrant contract labourers (notably males) would travel to the urban areas and mines where they would work for extended periods, returning to the reserves on completion of their employment contract. This culminated in increasing numbers of migrant workers in the urban areas and an increase in the rate of black urbanisation (Mabin 1992:16).

The subsequent eviction of blacks not employed upon white owned farms during the period after 1950, also had the effect of creating a large landless population. These people were forced to move to either the already overcrowded reserves to sustain their livelihoods or to the urban areas where they invariably formed squatter settlements upon the periphery of these areas.

During this time, the Tuberculosis Commission of 1914 gave a comprehensive account of the living conditions of the black urban population. These were as follows (Morris 1981:13):

- a) *Situation:* The black urban locations were in most cases situated upon the outskirts of the urban areas “which is a desirable arrangement” (Morris 1981:13), upon undesirable land and in some cases in close proximity to the towns refuse disposal site. These locations were also situated in areas where procurement of any proper water supply was impossible.
- b) *Layout:* No systematic layout of the shelters in these locations was evident. Proper streets were not provided and little attempt was made to provide surface drainage. The plots were of irregular size and not clearly marked making it difficult to establish which individuals were responsible for the maintenance of individual plots.
- c) *Services:* Few services were provided by the Local Authorities with little attempt being made for the provision of sewerage facilities. Refuse was not collected and residents were expected to dispose of their own waste in an allocated site.

- d) *Dwellings*: The majority of dwellings in these locations were described in the report as being "quite unfit for human habitation" (Morris 1981:14), being shacks constructed out of "bits of packing case lining, flattened kerosene tins, sacking and other odds and ends" (Morris 1981:14). It was recommended in the report that these locations be demolished and the residents relocated to more suitable areas.
- e) *Tenancy*: Black urban dwellers were not permitted to own land and hence tenancy was in most cases purely monthly and subject to the discretion of the relevant Local Authority. Residents in these areas would pay rents and were allowed to remain in the location provided that they were employed in the town. It was stated in the report that the tenure arrangements were such as to not permit blacks to feel that they were permanent residents in the town and that this factor discouraged these urban dweller from constructing any sort of proper accommodation.
- f) *Financing*: The report also maintained that the local authorities involved were making considerable profits out of the incomes derived, but that these profits were not being reinvested back into these areas in the form of better housing and service provision (Morris 1981:14).

These conditions of 80 years ago are not much different to the conditions evident in the informal settlements located within South African cities and towns today. Consequently, the locations that were established in an attempt to control the accommodation of the black migrant worker population had within them the seeds of later problems (Morris 1981:16).

Following the 1918 influenza epidemic which affected the urban black population and the recommendations of the commission of enquiry into this problem, the 1920 Housing Act was promulgated. The Act provided for the establishment of a Central Housing Board under the Department of Health which it was envisaged would control the provision of black housing by the Local Authorities involved. The Act also provided for

the provision of funds to these Local Authorities with which houses were to be built. This provision was however largely unused and although a few new locations were built, they did not cater for all of the black urban residents entering the cities many of whom crowded into the old locations (Morris 1981:17).

The problems associated with the black urban location were exacerbated by the growing influx of blacks from the rural reserves due to the deterioration of these areas. This forced the Union Government to turn its attention to this problem and to formulate a uniform policy towards dealing with the black population. This policy had two main components, those being:

- a) The status of blacks within the urban areas.
- b) Measures that could be implemented to control the movement of blacks into the urban areas (Morris 1981:17).

Measures to deal with these issues were established in 1923 although legislation designed to regulate the conditions of urban blacks was envisaged in 1912 with the draft Urban Areas Bill which was amended in 1918. These bills made provision for the establishment of segregated black urban locations. In these areas blacks would be permanently and could own land. Following the 1918 influenza epidemic however, two commissions were set up to investigate the conditions of urban blacks and to provide recommendations on how these problems could be solved.

One such commission was the *Stallard Commission* (or Transvaal Local Government Commission) which reported to the Government in 1922. Contrary to the provisions that were made in the 1912 and 1918 Draft Bills this commission recommended, in an often quoted statement, that “the native should only be allowed to enter the urban areas, which are essentially the white man’s creation, when he is willing to enter and minister to the needs of the white man, and should depart therefrom when he ceases so to minister” (Transvaal 1922 para.42 in Lemon 1991:4). As such, the commission did not perceive the black urban population to be permanent residents in the urban environment and this

doctrine according to Lemon (1991:4), “has had far-reaching implications for the provision of services, property ownership, participation in administration, and the morphology of African townships” (Lemon 1991:4). In addition to this, the recommendations made in this report, paved the way to the 1923 Natives (Urban Areas) Act, which embodied these Stallardist principles.

The 1922 Draft Bill produced by the Department of Native Affairs, again included clauses which provided for the permanent residence of blacks within the urban areas and for the right of blacks to own land. The motivation behind these clauses was that with secure tenure, black urban residents would be encouraged to improve and upgrade their dwellings and community environments thereby solving the problems associated with the poor living conditions in the black locations. While General Smuts (then Prime Minister) supported this bill and the clauses it contained General Hertzog opposed the bill stating that the urban areas were the domain of the white population and that blacks were only temporary residents, there only to provide labour to the white owned economy (Morris 1981:19).

2.3.4 The 1923 Native (Urban Areas) Act and the Period up until 1948.

The policy that blacks were impermanent residents of the ‘white’ urban areas was manifest in the Native (Urban Areas) Act which was passed in 1923. The Act empowered Local Authorities to set aside land within the urban areas for the accommodation of blacks known as locations. These locations were separated from the white areas of the city in accordance with the policy of segregation and blacks were not permitted to own land within these areas. Concomitantly, blacks were not permitted to reside in areas outside of these locations. Despite the denial of ownership rights so called ‘native villages’ were established for “the more stable and affluent section of the population” (Morris 1981:23).

The importance of this act is that it paved the way for future legislative measures designed to control the urban black population. Its framework embodied the principles of segregation, relocation, influx control and the notion that black urbanisation would be self-financing. The act was amended in 1930 and 1937 and it became increasingly difficult for blacks to enter into the urban areas. These measures were reinforced in succeeding legislative Acts up until and including the Botha reforms of the 1980's (Lemon 1991:5). It therefore marked the beginnings of a formal policy towards controlling blacks within the urban areas and the rate of black urbanisation.

With regard to black housing, the 1923 Native (Urban Areas) Act included measures for the provision of three forms of accommodation. These included hostels (compounds), locations and native villages. These measures were however largely unused and in only a few towns were native villages established for the more affluent members of the black population. Most Local Authorities established locations (or townships) in which they would themselves erect shelters or would set aside land upon which blacks could erect their own shelters, renting the land from the Local Authority on a monthly basis.

In addition, the provision of black accommodation was limited at this time due to inability of most Local Authorities to afford the costs associated with providing shelter. As indicated, it was anticipated that black housing would be self-financing. This however proved to be difficult as most black households could not afford the monthly rentals upon housing provided by Local Authorities. Consequently, despite the granting of sub-economic loans in 1920 and 1936 to many Local Authorities few were able to repay these loans and hence could not fund the provision of black housing (Morris 1981:24). According to Lemon (1991: 5), most local authorities were also reluctant to subsidise black housing.

By 1937, measures to control the influx of blacks into the urban areas had been established. These were introduced in the 1937 Native Laws Amendment Act. This act required blacks entering into urban areas to find work within 14 days or be sent back to

the areas from which they came. Municipalities were also required to repatriate any excess black population which existed in the urban areas. According to Lemon (1991:5), the importance of this act lay in the fact that it represented a more decisive move towards centralisation and state control of the 'urban black problem.'

The outbreak of World War Two brought with it an increasing surge of blacks to the towns. This was due to two principle factors.

Firstly, the ongoing problems associated with the economies of the reserves which failed to sustain the populations living in them, forcing these people to move to the towns in search of employment.

Secondly, the war resulted in the growth of industries located within the towns which in turn required additional labour for production. Influx control in to the towns was subsequently relaxed during this period although it had not been strictly enforced beforehand (Morris 1981:31).

This influx of blacks placed additional pressure upon the existing housing backlog and the living conditions in the black residential areas deteriorated as a result. In Cape Town for example, it was reported in 1945 that the location of Langa housed only 7600 black residents and that an additional 1200 were living illegally in non-municipal dwellings. A survey conducted in 1943 estimated that approximately 11400 men and 1400 families required accommodation in the locations within the city and that 30000 people were living in slum conditions in the location of Windermere and the areas surrounding the municipality (Morris 1981:38). It was clearly evident at this stage that the Local Authorities responsible for providing housing had failed to do so and that no active measures to solve the housing problem were being implemented. This also resulted in a series of land invasions and the development of informal squatter settlements on outskirts of most South African Towns (Mabin 1992:17).

By 1945, the poor living conditions within the black locations, which were being exacerbated by the growing influx of people into the urban areas, once again brought the notion that blacks were not permanent residents of the urban areas into review. This review was conducted by the Native Laws Commission under the chairmanship of Mr. Justice H.A. Fagan and was subsequently known as the Fagan Commission Report. The principle finding of the report was that black urbanisation was primarily an economic phenomenon and that whilst it could be controlled, it could never be reversed. The report also noted that the segregation of the different race groups within the city was impractical and that the stabilisation of labour should be encouraged (Morris 1981:40).

The increasing rate of black urbanisation and the subsequent development of illegal squatter settlements in and around the cities led to increased concern amongst whites. The manifesto of the Nationalist Party promised to solve this problem referring to it as the "*swart gevaar*" (black danger) and as a result gained considerable support amongst the white and particularly Afrikaaner community (Lemon 1991:6). This culminated in its rise to political power in 1948 and the implementation of formal Apartheid policy. According to Lemon (1991:6), "had the United Party won the 1948 elections, both urbanisation and urban residential patterns would no doubt have been treated more pragmatically; instead it has taken 40 years for the realities of social and economic change to challenge the artificiality of apartheid cities" (Lemon 1991:6).

2.4 THE APARTHEID ERA.

2.4.1 Introduction.

In 1948 the Nationalist Government came to power its election manifesto re-iterating the principles put forward in the Stallard Commission of 1922 and promising a more concrete approach towards the issue of black urbanisation. The possibility of blacks becoming permanent residents in the urban environment, as recommended by the Fagan Commission, was discarded. This was replaced by a new ideology which engendered the idea of separate development for the various race groups and the notion that blacks were impermanent residents within the urban areas. As such they were denied all political, social, and economic rights in the 'white' areas of the country (including the cities).

Although this new ideology stood in contrast to that of the United party which ruled in the years preceding 1948, it is evident that threads of continuity exist between these two phases. The moderate attitudes of the Union Government towards the issue of black urbanisation and black urban residency were transformed after 1948 into a more extremist and radical ideology encompassed within the policy of Apartheid. It may be argued that Apartheid was not a totally new approach to these issues but was instead a more extremist extension of the ideas and attitudes that preceded it. It represented a more definitive mechanism through which the white settler population sought to reinforce and perpetuate the dominant-subordinate relations that had been created and protect their political, social and economic interests in the country to the detriment of all other 'race' groups.

A number of measures were introduced by the Nationalist Government to support the policy of separate development and the notion that blacks were impermanent residents of the urban areas. These measures include:

- a) The intensified segregation of the races both within the urban areas (through the establishment of the Apartheid city) and in the country as a whole (through the establishment of the homelands or 'bantustans').
- b) Increased controls over black urbanisation.
- c) The introduction of policies designed to relieve the financial burden placed upon the State and Local Government of having to accommodate blacks in the urban areas.

(Adapted from Morris 1981:42)

These policies had considerable effects upon black urbanisation, and upon the living conditions of blacks within the urban areas, the nature of which will be expounded upon in the following sections of this chapter.

2.4.2 The Period from 1948-1960.

The afore mentioned policy measures adopted by the Nationalist Government characterise the period between 1948 and 1960. It was in the period after 1960 that stricter measures were introduced to curtail black urban development in the 'white' areas and the 'homelands' were established (Morris 1981:42). Three principal legislative changes were introduced during this period, namely:

- a) The Group Areas Act of 1950.
- b) Influx Control Legislation.
- c) and the Prevention of Illegal Squatting Act of 1951.

The Group Areas Act of 1950.

In terms of understanding the morphology and structuring of South African urban areas the importance of the Group Areas Act of 1950 cannot be overemphasised. Although legislation facilitating the segregation of urban space into separate racially defined residential areas had been introduced in the form of the 1923 Natives (Urban Areas) Act and its subsequent amendments, the Group Areas Act of 1950 sought to reinforce this legislation and provide for its stricter implementation. It was directed primarily towards segregation within the urban areas, its outcome being the evolution of what has been termed the 'Apartheid city.' These urban forms were the result of the re-ordering of the Segregated cities which preceded them (Lemon 1991:8).

Moreover, the segregation that occurred in the urban areas provided the basis for the separate socio-economic development of the group areas defined by this Act. This was apparent in the unequal provision of educational facilities, public representation, health care, basic services and community facilities in the different racial areas that were established. More specifically, the State actively sought to undermine and prevent the socio-economic and infrastructural development of the black residential areas in a bid to maintain and perpetuate the subordination of the indigenous (black) population. The current state of underdevelopment and relative poverty in these areas may be largely attributed to this policy the outcome of which is apparent in the lack of adequate housing, basic services, community facilities, private sector investment (retail outlets, manufacturing and other commercial enterprises), job creation and personal skills development. In this sense, the Group Areas Act and the policy of separate development in the racially defined urban locations that were established play an important role in attempting to understand the causes of the current black housing and community development crisis.

On a 'social' level, the establishment of the group areas sought to prevent any friction or 'bonding' that might occur between the different races within the urban areas. According to Lemon (1991:8), "group areas exemplify the fundamental tenet of apartheid ideology that incompatibility between ethnic groups is such that contact between them leads to friction, and harmonious relations can be secured only by minimising points of contact" (Lemon 1991:8). One of the primary outcomes of this process was the relocation of individuals and families (mostly blacks, coloureds, and Indians) to other parts of the city where they were located in specific areas assigned to their particular race group. It has been estimated that between the years 1960 and 1983, 730 000 blacks were relocated within urban areas and that over one million were resettled in the 'homelands' between 1950 and 1990 (Lemon 1991:10). In comparison, 99.7 percent of the white urban population remained unaffected by the Act.

The Apartheid City.

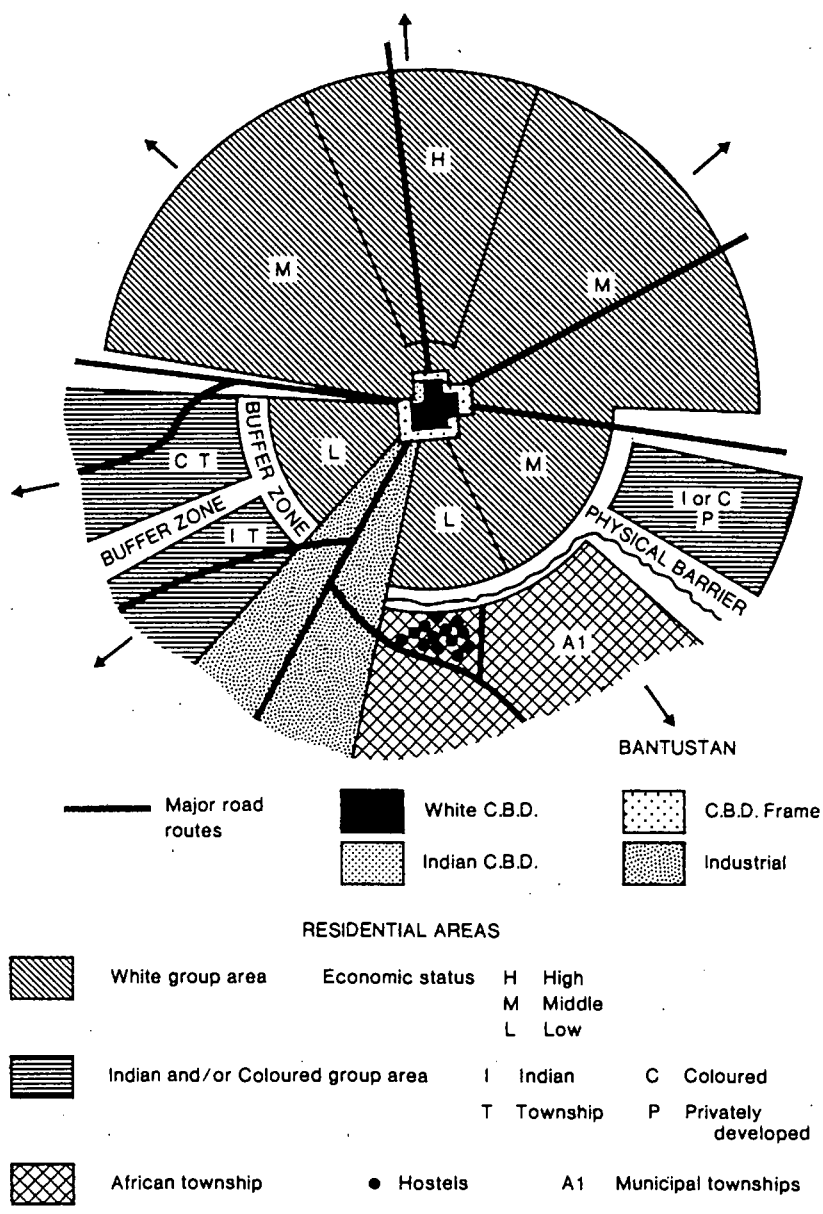
As indicated, one of the primary outcomes of the Group Areas Act was the development of what has been termed the 'Apartheid city.' The specific morphology and structuring of this urban form is depicted in figure 2.4. At the core of the Apartheid City is the central business district (CBD) The areas surrounding the CBD provided space for expansion and economic growth over time. Surrounding the core are the white low, middle and high income residential areas. Their location indicates that the areas closest to the core were reserved for white residential occupation only. With regard to the location of the group areas established for the black, coloured and Indian populations, these residential areas are located on the periphery of the city and separated from the white residential areas by 'buffer' zones or natural physical barriers. These population groups were in turn separated from each other. Coloureds were for example not permitted to reside in areas reserved for the specific accommodation of the black urban population. The hostels and 'barracks' built to house migrant workers are also moved away from the industrial sector where they had been located in the Segregated City and relocated in the Black townships (Lemon 1991:11).

It is thus apparent that the Apartheid city, although built upon the principles inherent within the Segregated city, differed in a number of respects from this preceding urban form. It represented an increased degree of physical, economic and social separation and segregation between the various 'race' groups contained within the urban environment. The remodelling of the city structure also placed additional burdens upon the non-white communities that were relocated during this process. Financially, having been located upon the periphery of the city most individuals found themselves far removed from places of employment, recreation and commerce (retail outlets). Most were forced to incur higher travelling costs as a result (Lemon 1991:11). Psychologically, the relocation of the non-white families has according to Lemon (1991:11), resulted in the fact that "many communities were emotionally impoverished by the destruction of their community and the remoteness from the area in which they had grown up" (Lemon 1991:11).

In addition, the Group Areas Act also placed individual households with differing socio-economic characteristics or 'class' identities within the same residential area thereby destroying the natural tendency for separate residential areas to develop based upon these differences. The effect of this was to lower the overall living standards in these areas. Lemon (1991:11) goes on to say that 87 percent of the land in group areas was allocated to whites resulting in overcrowding and poor living conditions in the areas allocated to the remaining race groups.

Another characteristic of the group areas and particularly those established for the black urban population, was the lack of economic and social investment that occurred in the black residential areas. Due to the distance at which these areas were located from the remaining city, private sector investors were reluctant to establish business enterprises here. This not only contributed to the relative poverty in these areas by lowering the overall living standards (through the absence of shopping centres, recreational facilities and cultural amenities) but more importantly, provided little opportunity for employment. Moreover, these areas were also characterised by a lack of public

Figure 2.4
The Apartheid City.



Economic status of black group areas not differentiated
Domestic servant quarters not shown

Source: Lemon 1991: 12

investment in the form of schools, hospitals and recreational centres. In contrast to the white residential areas these areas were thus unable to develop into viable community environments capable of facilitating the economic and social upliftment of the people located within them. Instead, these factors led to the relative impoverishment of these areas and subsequently the communities living in them. As such these areas were separated from the overall economic and social growth occurring in the remainder of the city. This is important when attempting to understand the origins of the housing and community development crisis evident in the black urban areas today.

Of interest is the fact that according to Lemon (1991:13), by 1985 the Western Cape had emerged as the most segregated region in the country with only 5 percent of its population living outside their designated group areas.

Influx Control legislation.

With regard to influx control, the measures that had been introduced in the 1923 Act and its amendments were strictly enforced by the Nationalist Government.(Morris 1981:42). In addition, the Act was amended in 1952 and were blacks given 72 hours to find employment on entering the urban areas. Contrary to the policy that blacks were not permitted to be permanent residents in the urban areas, concessions were made to grant black persons the right to remain in these areas on condition that they had been born here or that they had worked for the same employer for longer than 10 years.

The Prevention of Illegal squatting Act of 1951.

As a means of reinforcing the Group Areas Act of 1950, the Prevention of Illegal Squatting Act was promulgated in 1951. This made provision for the removal of persons unlawfully occupying land or buildings outside of their designated group areas. In addition, this Act also provided for the establishment of 'emergency camps' in which black in-migrants to the urban areas, who were unable to find accommodation in the

townships, could be temporary accommodated (Morris 1981:51). These camps were located in officially designated sites within the city, many of which later became established black residential areas (for example the settlement of Crossroads in the Cape Metropolitan Area)

The Provision of Housing.

In terms of the Housing Act of 1957, the Bantu Housing Board was established and dealt with the housing requirements of blacks within the urban areas. More specifically, this board reviewed the applications made by Local Authorities for State funding to purchase land upon which black accommodation could be built. To finance these loans a National Housing Fund was established (Morris 1981: 44). The availability of State funding for black housing was however influenced by the notion that blacks were temporary residents in the urban areas. As such, the State saw no need to channel limited resources into the housing needs of a temporary urban population. This was reflected in the financing policies established at this time and which aimed to reduce the burden of financing black housing upon the State and Local Authorities. In accordance with this objective, four measures were introduced:

- a) A substantial reduction in the number of sub-economic loans granted to Local Authorities for the provision of black accommodation.
- b) The introduction of strict control over the number of blacks permitted to pay sub-economic rentals for State accommodation (in 1954 the State decided that only individuals earning less than 15 pounds per month would be allowed to pay sub-economic rents).
- c) The introduction of loan facilities for blacks wishing to build their own homes.
- d) The provision of legislation forcing employers to contribute towards the housing requirements of their black employees.

(Adapted from Morris 1982:46)

These measures served to transfer the financial burden of providing black housing from the State to those individual households concerned. The net effect of this was to reduce the number of housing units produced, leading to an overall decline in the rate of black housing provision during this period. Most blacks for example could not afford to pay economic rentals even though they earned above 15 pounds per month. In addition, while blacks were encouraged to build their own houses in a bid to alleviate the housing shortage and promote end user maintenance of these structures they were not permitted to own land. Not only did this discourage blacks from investing in 'their' properties, but at the same time most Building Societies would not grant housing loans to black households wanting to construct houses upon land which they did not own. Moreover, most employers were reluctant to provide funds for the construction of houses for their employees because they had no control over the manner in which these funds were spent (Morris 1981:47). Consequently, despite these measures little housing was actually provided and the housing backlog continued to grow. By 1950, it was estimated by the Institute of Race Relations, that the housing backlog stood at 250000 units and that 200000 squatters were located on the periphery of towns throughout the country (Morris 1981:60).

In a bid to further stimulate the involvement of blacks in the provision of their own accommodation a number of site and service schemes were initiated throughout the country by the State. These schemes provided blacks with access to a serviced concrete base slab upon which households were expected to build their own housing. It was anticipated that households would utilise their own financial resources for this purpose, thereby reducing the financial burden upon the State of providing housing. The idea of site and service schemes had originally been used in Bloemfontein in the period between 1910 and 1922. It arose out of the notion that it was impractical to think that "the Native who has barely left his primitive conditions should be provided with a house which to him resembles a palace and with conveniences which he cannot appreciate and which he will not require for many years to come" (Dr E.G.Jansen, Minister of Native Affairs in Morris 1981:48). This opinion was held by other members of the Government including

Dr. H.F. Verwoed who succeeded Jansen in 1954 and stated that it was better to provide 100 percent of black households with the ability to obtain housing through site and service schemes than 'proper' housing to a select few.

To complement this scheme and to encourage blacks to invest in the of their own homes, the Government advocated the principle of home ownership. The extent of this proposal was however confined to a 30 year lease which was made available to black households and which could be removed at any time (Morris 1981:49). For this reason most black households were reluctant to utilise their resources to construct formal houses upon the serviced sites made available to them. In addition, most households could not afford the costs associated with constructing this type of accommodation. As a result, the site and service schemes that were introduced were largely ineffective as a means through which the housing shortage could be alleviated and little housing was generated in this manner.

Conclusion.

In Conclusion, this period was characterised by a movement away from the more moderate approach adopted by the previous Government towards one of increased control over the black urban population and the rate of black urbanisation. At this time, State control over this population group became entrenched and replaced that of Local Government. The measures adopted by the State to control the black population were enshrined in the formal policy of Apartheid (separate development) and included influx control legislation and the 1950 Group Areas Act. These measures were designed to maintain and perpetuate the dominant socio-economic and political status of the white 'settler' population and to protect the sanctity of the 'white' urban areas (Soni 1992:40). Within the urban areas, the outcome of these measures was the re-organisation of the urban environment into separate racially defined residential areas characterised by the unequal distribution of resources for socio-economic and structural development. Few

resources were channelled into the black residential areas and little effort was made by the State to improve the living conditions and community environments in these locations.

Concomitantly, this period was also characterised by a movement towards making individual black households responsible for the provision of their own accommodation and a decline in the provision of low cost State housing. Employers were also encouraged to take responsibility for the provision of housing for their employees (Soni 1992:40). These measures formed an attempt to reduce the financial burden of providing housing for urban blacks upon the State and those Local Authorities involved.

For reasons already outlined however, most black households were both unable and unwilling to provide their own accommodation and to invest in the maintenance of their properties. As a result, little housing was generated during this period and the shortage of accommodation in the black residential areas was exacerbated, leading to an overall decline in living conditions and a high incidence of overcrowding. This was particularly apparent in the Western Cape which was regarded as being a Coloured preference Area. Blacks were not perceived to be 'indigenous' to this region and hence little housing was provided to this population group for this reason. The forced removals that occurred under the Group Areas Act placed additional strain upon the existing housing stock in the black 'townships' by preventing households from seeking accommodation in the informal 'squatter' housing areas.

2.4.3 The Period from 1960-1975.

The 1960's proved to be a turbulent period for the State. Increased nationalism among the black population under Apartheid gave way to nation-wide demonstrations in the early part of 1960, culminating in the Sharpville massacre and the subsequent declaration of a state of emergency. This in turn gave the Government an opportunity to tighten its

controls over blacks and resulted in the formulation of policy providing for the establishment of independent homelands in which blacks were be granted rights including political rights (Soni 1992:41).

Increased State control over the black population was demonstrated in various ways. New legislation for this purpose was introduced and that already existing strictly enforced. Resulting from the decision to create the homelands, many of the new legislative measures were designed to divert black urbanisation away from the 'white' urban areas and towards the homelands. These measures included:

- a) The introduction of stricter forms of influx control and measures to regulate the employment of blacks within the urban areas. This made it increasingly difficult for blacks to enter the urban areas.
- b) The Bantu Laws Amendment Act of 1963 was promulgated as a means to tighten up the Bantu Urban Areas Consolidation Act of 1945. This new Act facilitated increased control over blacks within the urban areas and limited the number of black servants white households were permitted employ.
- c) Regulations were also imposed upon the number of black women who could be granted housing rights within the urban areas and non-productive blacks (disabled or elderly) were resettled in the homelands.
- d) New labour regulations permitted blacks to leave the homelands in search of work in the 'white' urban areas only on the condition that they possessed valid employment contract exceeding one year.
- e) In June 1968, new regulations also stated that only qualified black males over the age of 21 could receive housing permits in the urban areas.
- f) The Physical Planning and Utilisation of Resources Act prevented existing industries in the urban areas from employing more blacks than had been employed in January 1968.

(Adapted from Morris 1981:74)

The overall effect of these measures was to prevent the influx of blacks into the urban areas and to curtail the number of blacks already in the urban areas to those needed by industries requiring this labour. These measures formed an attempt to force the black population to move to the homelands.

Housing Policies.

In the realm of housing, the creation of the homelands was complemented by a shift in State resources away from the provision of black housing in the urban areas to the provision of housing in the homelands. Housing policy at this time was characterised in four principal ways:

- a) Increased emphasis was placed on the development of homeland townships. State resources were diverted to the creation of homeland townships in which blacks could either rent or purchase land and build or rent houses. Consequently State expenditure on black urban accommodation decreased and restrictive policies were implemented to curtail black housing development in the urban areas.
- b) Concurrently, in 1969 restrictions were placed upon the provision of family accommodation in the urban areas. Local Authorities wishing to construct this type of accommodation were required to obtain permission from the Department of Bantu Administration and Development who stated that such family accommodation should only be provided in townships located within the homelands.
- c) In 1968, home ownership rights were withdrawn and Local Authorities advised not to issue further leases to black residents upon land located within the urban areas. In this way the State attempted to encourage home ownership in the homelands.

- d) In 1972, the State declared that blacks renting municipal houses would have to bare the full costs of any improvements that were made to these structures and that this accommodation would still remain the property of the relevant Municipality. In addition blacks would not be compensated for these improvements should they leave the house.

(Adapted from Morris 1981:77)

It is evident that during this period, despite the growing housing backlog in the townships and the problems of overcrowding, the State actively constrained the provision of low cost housing in these areas. Resources previously allocated towards this end were redirected towards the establishment of townships in the homelands (Soni 1992:43). It therefore became increasingly difficult for blacks to find accommodation in the urban 'townships' and to raise loans with which to build houses upon rented land. Living conditions in the black 'townships' consequently declined and the communities there forced into a position of increasing socio-economic poverty.

2.4.4 The Period from 1975-1977.

The period between 1975 and 1977 was witness to certain reforms in terms of the States' attitude towards blacks. These reforms involved a re-adjustment in the political repression that had preceded this era due largely to increasing levels of discontent among the black population and which were being expressed in the form of wide spread rioting (Soni 1992:43). According to Soni (1992:43) however, the readjustments that occurred in the policies adopted by the State in response to the increasing rate of black urbanisation had "serious repercussions for housing; the crisis was exacerbated with critical shortages" (Soni 1992:43).

In addition, these reforms were also the result of decreased support for the existing policies by white capitalists. Industrial growth in this period stimulated the need for more skilled black labour as the white labour force moved out of blue collar jobs and into positions of management. This created a need for skilled black workers to fill these vacant positions and an increasing need for black labourers in the urban areas to work in the industries located there.

As a result of these factors, the State began to realise that it was impossible to remove all blacks from the urban areas and that blacks were permanent residents in these areas. This was reflected in the re-introduction of leasehold rights. Blacks were still unable to own land within the cities and it was made clear that their political rights lay in the homelands (Morris 1981:106).

2.4.5 The Period from 1977-1980.

The legislative reforms that had been initiated in the previous era were continued during this period. This process was accelerated by the findings of the Riekert Commission in mid 1979 which represented an inquiry into the economic implications that the Apartheid policies had had as they pertained to the black population. The reforms that occurred as a result of the findings of this commission again re-affirmed the fact that the State was beginning to realise that black urban residents would always remain in the cities and that measures would have to be implemented to extend some degree of rights to this population group as well as improve their living conditions. Despite this apparent change in attitude and perception however, no effective means were implemented in an attempt to alleviate the black housing shortage. Concurrently, continuing rent increases caused unrest among black urban residents (Soni 1992:45).

The major legislative changes that were introduced at this time included the 99 year leasehold legislation. In 1978, the Minister of Plural Relations and Development (formerly the Department of Bantu Administration and Development) announced that

blacks would be entitled to a 99-year leasehold over land in the urban areas. The intention of this was to confirm home ownership rights and to allow blacks to sell their properties. In addition, this was also a means of reassuring blacks of their rights in the urban areas and was expected to encourage blacks to invest in and improve their living conditions. The extended lease was also intended to facilitate the availability of loans for blacks wishing to build or improve their own houses from building societies and banks. Furthermore, this measure was enacted as a means to enable employers to assist blacks in attaining their own homes and to allow blacks to accumulate capital (Morris 1981:109).

Certain problems with this scheme were however apparent and were noted by the Urban Foundation. These included:

- a) Most blacks were not able to obtain housing loans the monthly exceeded their existing monthly rentals which most were already unable to afford.
- b) There still existed feelings of insecurity among most black households with regard to their tenure over their properties and they feared that under the Section 10(i) regulations, their descendants in the homelands would not be able to inherit property left to them or be permitted into the urban areas.
- c) Loan finance was difficult to access as Building Societies were unwilling to issue a number of small loans and requested housing standards be raised above those pertaining to most of the formal accommodation already existing in the black 'townships.'
- d) The complex legal administrative procedures involved in obtaining a lease was a deterrent against most black households owning their properties.

Consequently, despite the concessions made in this policy, many blacks did not, or were unable to, take advantage of these measures. Most did not therefore obtain home ownership or loans with which to improve their living conditions (Morris 1981:110).

According to Morris (1981:128), a number of other developments occurred at this time with regard to black housing. These included:

- a) An increase in site rentals due to the additional income needed by most Local Authorities to cover the costs of service provision.
- b) Relatively little low cost housing was provided by the private sector at this time due to the low profits involved.
- c) Increased employer participation in the provision of housing for their employees and increased private sector grants towards this end.

Conclusion.

It is therefore evident that during this period, the reforms that were initiated during the previous period were furthered by the Government. This occurred in response to the needs of white capital, the growing unrest that was developing in the black urban community due to the lack of housing and poor living conditions, and the recommendations made by the Riekert Commission. In general these reforms sought to "humanise" the Apartheid policies that had been established in the previous periods since the Nationalist Government took control in 1948, and were a result of the realisation on behalf of the Government, that black urbanisation could no longer be constrained (Soni 1992:45). In the light of this change in perception, the Government sought to reform its policies directed towards the black urban population, though reluctantly in some instances (Morris 1981:132).

Consequently, is evident that at this time, despite the reforms that were occurring, the Apartheid State had created for itself problems in the black urban areas that would necessitate time and a great deal of resources if they were to be overcome. One might in fact be so bold as to add, that when considering the problems apparent in these areas today, not much has changed in the 15 years since these problems were documented and reforms implemented.

2.4.6 The Period from 1980-1994.

The 1980's represented a fundamentally new era in the history of black urbanisation and housing in South Africa. During this period a number of constitutional reforms occurred reflecting the States' realisation that black urbanisation was inevitable and in some ways desirable (Soni 1992:46). The States' approach towards this issue shifted from that centred about trying to control and prevent black urbanisation to one geared towards the management of this process. This approach was made apparent in the 1986 White Paper on Urbanisation which introduced the notion of 'orderly urbanisation' (Reintges 1992:99). The White Paper sought "to put forward the Government's policy in respect of urbanisation in South Africa, and to announce a strategy for the future management of the social, economic, and physical problems (associated with) rapid urbanisation" (South Africa 1986:3 para 2). With regard to the policy of orderly urbanisation, the objectives of this strategy were to:

- a) Abolish influx control thus allowing blacks free movement into and out of the urban areas.
- b) Extend black property rights.
- c) Remove all discriminatory measures in respect of urbanisation and promote the unbiased recognition of civil liberties and rights.
- d) Implement a democratic dispensation.
- c) Promote free enterprise.
- d) Identify land upon which industrial and residential development may occur.
- e) Empower Local Authorities and promote the recognition that many local development issues are most effectively dealt with at this level.
- f) Stimulate community involvement in the process of improving the housing and living conditions in the black urban areas.

(Adapted from CapeTown 1987:i)

These objectives reflect the general aim of this urbanisation strategy which was to ensure “the positive handling, management and stimulation of natural urbanisation processes in order to ensure that urbanisation comes to pass in a constructive and planned manner to the benefit of everyone” (South Africa 1986:11 para 4.4.2.)

Of particular importance was the fact that before 1980 almost all housing provided for blacks in the urban areas was done so on a rental basis whereas in the period after 1980, a shift was made towards a more market orientated process of housing delivery. Local Authorities and the private sector became increasingly involved in the process of low cost housing delivery and a number of low-income housing projects were initiated. As the housing delivery system became increasingly privatised State provision of houses and public services decreased but did not altogether disappear (Soni 1992:46; Parnell 1992:53). Houses constructed by the private sector were sold to the black urban population and the servicing of these dwellings increasingly became the responsibility of developers themselves.

Two major problems however arose out of this privatisation process which rendered it largely ineffective as a means towards solving the housing shortage as it existed at this time.

- a) This system of housing provision was essentially a ‘top-down’ approach and did not take into account the specific housing requirements of different households. Houses were provided upon a mass scale and conformed to the same specifications. As a result, households were unable to obtain that type of housing that suited their particular needs or affordability levels.

- b) Most developers were reluctant to build low cost houses that did not provide sufficient security in the advent of foreclosure. The houses built were generally of a high standard and largely unaffordable to most low-income black households (Soni 1992:46). According to Soni (1992:46), approximately 40 per cent of the total amount of money spent on private housing developments in 1987 was directed towards the construction of houses costing more than 40 000 rand. Only 15 per cent was spent on providing houses costing less than 15 000 rand. By extension, 40 percent of the total amount spent was directed towards providing housing for 10 per cent of the black urban population while only 15 per cent was directed towards providing housing for 57 per cent of this population. Consequently, “where private developers (housing capital) control the production of housing, people face great problems in gaining access to houses and land” (Soni 1992:46).

Consequently, despite this reform in State policy, little relief was provided to the housing shortage that existed at this time. In 1989 it was estimated that almost 5 million low cost houses were needed in the next decade (400 000 per year) if this problem was to be overcome (Soni 1992: 48). In addition, the shortage of available accommodation for blacks in the urban areas was compounded by the abolition of influx control in 1986 and the subsequent influx of blacks into the urban areas (South Africa 1986: 16 paragraph. 5.1.4.1).

State Housing Provision in the 1980's.

Although Local Authorities and the private sector were encouraged to actively participate in the delivery of low cost housing in the urban areas, State provision of housing did not decrease. According to Parnell (1989:53), State expenditure on low-income housing remained constant and an estimated 25 000 housing units were built each year during this period. A portion of State funding for this purpose was also directed towards the

subsidisation of home ownership and the provision of services in the urban informal housing areas.

Despite these measures however, the low cost housing backlog in the black residential areas continued to persist. This was due to two principal reasons:

Firstly, State and Local Government resources for the provision of housing, public services and the upkeep of the urban environment continued to be unequally distributed between the white and non-white urban residential areas. Relatively fewer resources were directed towards the infrastructural development and maintenance of the black residential areas. In addition, the expenditure of revenue derived by Local Authorities from Municipal taxes and rates was confined to those areas from which this revenue had come and was not redistributed to areas lacking the resources needed for infrastructural and community development. Local Authorities and councils established in the black residential areas lacked the funding required for the development of these areas (in terms of housing and public services) because of the 'poor' tax base in these areas. For this reason efforts are currently being made to establish the Cape Metropolitan Government in Cape Town. One of the primary tasks of this Government is to collect all revenue derived from this area and ensure that it is redistributed to those areas in greatest need (notably the black residential areas).

Secondly, the shortage of low cost housing in the black residential areas was exacerbated by the fact that the overall provision of housing failed to satisfy the demand for accommodation. This was particularly apparent with regard to those black households earning very low monthly incomes and who were unable to afford to participate in the States' subsidised home ownership programmes and the housing development schemes initiated by private sector developers. This led to the creation of a housing delivery process in which only the more affluent sector of the black population (earning relatively higher monthly incomes) were able to obtain housing (Parnell 1989:53).

These factors culminated in the growth in size and number of informal 'squatter' settlements on the periphery of most South African urban areas and upon vacant land within these locations. Attempts were however made by the State to upgrade and improve the living conditions in these settlements (Parnell 1989:53). In most cases this involved the establishment of site and service schemes. The effectiveness of these schemes was however constrained by the fact that black households were required to use their own financial resources to upgrade their dwellings and construct formal accommodation. Most however lacked the resources with which to do so because of the low monthly incomes they earned (Parnell 1989:54).

In conclusion, despite the reforms that occurred with regard to the States' attitude towards black urbanisation and the black urban population, the shortage of low cost housing and poor living conditions in the black residential areas continued. The measures introduced as a result of this change in policy proved largely ineffective as a means towards solving this problem. While housing in some instances was made available, this was in most cases restricted to the more affluent members of the black urban population who could afford the costs involved. In addition, the legacy of the era which proceeded this period was by this time so deeply entrenched that despite these reforms many of the problems associated with the black residential areas continued to persist. These problems included:

- a) An acute shortage of low cost housing in the black residential areas. This in turn led to a high incidence of overcrowding and the growth of informal 'squatter' settlements.
- b) The poor living conditions and relative poverty associated with these areas. This was compounded by the lack of basic services, public facilities and the deterioration of the community environment.
- c) The distance at which these settlements were located in relation to the remainder of the city and places of employment. This forced most households to incur high daily transport costs and deterred private sector investors from locating business

enterprises in these locations. With regard to the latter, this also resulted in a lack of employment opportunities within the black residential areas, contributing to the socio-economic deprivation of the communities located there.

- d) Most black residential areas were characterised by the monotonous nature of the housing within these areas and lacked public amenities such as tarred roads, street lighting and storm water drainage.
- e) The lack of economic investment in these areas in the form of industry, retail outlets and other commercial activities, This contributed to the degradation of these urban community environments and the poor living standards in these areas.
- f) Monthly rents on State housing were too high and most residents could not afford to pay these charges. many of these households were forced to seek accommodation in the informal housing areas where they could construct their own dwellings and where rentals were lower.
- g) The lack of adequate representation in the form of Local Authorities and councils. Moreover, in areas where representation did exist, these public bodies were not recognised or supported by the communities involved who perceived them to be extensions of the State. Hence the provision of infrastructure was largely carried out without adequate attention being given to the actual needs and requirements of the communities involved.
- h) The poor socio-economic status of most black households and the low monthly incomes they received. This may be attributed to the measures that were introduced in the past decades to confine blacks to low paying unskilled occupations through job reservation and unequal access to education and training. The effect of these measures was to generate a population group lacking in the skills and resources needed to socially and economically uplift themselves and improve their living conditions.

It is important to note that these problems were exacerbated in the informal 'squatter' housing areas where the absence of adequate housing, basic services, public amenities and Municipal representation was most apparent. In addition, these characteristics pertain to most of the black urban residential areas and communities found in the country today.

2.5 CONCLUSION.

This chapter has attempted to provide an insight into the historical origins of the current low cost housing and community development crisis. It has been demonstrated that the underlying causes of this problem lie in the repressive and exploitative measures that were implemented during the past settler colonial and Apartheid eras to maintain blacks in a subordinate socio-economic and political position. These measures served to protect the economic and political interests of the dominant white population and have shaped the socio-economic attributes, living conditions and location of blacks within the urban environment.

More specifically, in light of the preceding historical review it may be argued that the current low cost housing crisis is primarily the outcome of three principal historical processes.

Firstly, the fact that blacks were placed in a socio-economic position in which they were largely unable to accumulate the financial resources necessary to provide their own formal accommodation and improve their standards of living. They were denied equal access to education and training, prevented from accumulating capital and were restricted to low-paying unskilled occupations. These measures served to prevent the socio-economic upliftment of blacks but also had the effect of creating a population group incapable of satisfying their own housing needs and which were confined to lives of relative and absolute poverty.

Secondly, the provision of housing for blacks in the urban areas was largely controlled by the State and based upon the notion that blacks were only temporary sojourners in the urban areas. The rate of housing delivery was dictated by the number of black workers needed in the urban areas and little family accommodation provided. Housing was not provided for an 'excess' black urban population. Moreover, blacks were also prevented from owning land and could not therefore generate their own housing in the formal black residential areas, which were established in terms of the 1950 Group Areas Act.

Concomitantly however, the continuing influx of black migrants into the urban areas placed considerable strain on the existing formal housing stock despite the measures introduced to stem this flow. The provision of State housing failed to match the growing need for accommodation in the black residential areas and a housing shortage soon developed. Many black migrants were forced to provide their own shelter on the periphery of the urban areas where informal 'squatter' settlements developed. The growth of informal settlements was particularly apparent during the 1980's when the State embarked on a policy not to provide further black accommodation and instead emphasis was placed on the provision of housing by the private sector.

Thirdly, because blacks were perceived to be temporary residents in the urban areas, few State resources were directed towards developing the black residential areas into viable, progressive community environments. These areas were denied adequate Municipal infrastructure and public facilities such as tarred roads, street lighting, schools, hospitals, sanitation and recreational centres. The provision of basic services (water, sewerage and electricity) was also kept to a minimum and economic investment discouraged from locating in these areas. Most also lacked adequate Municipal representation. The black residential areas were thus largely neglected and removed from the overall socio-economic growth and development occurring in the remainder of the urban environment. This is particularly important in view of the fact that the present housing crisis is not only confined to the shortage of formal housing but also the general lack of development in the black residential areas.

The outcome of these measures in today's context are the poor living conditions, shortage of adequate formal accommodation, environmental degradation and poverty associated with the black residential areas. This is particularly true with regard to the informal 'squatter' housing areas which in many cities and towns currently house the majority of black urban residents. Whilst initiated during the settler colonial era, the processes described above were exacerbated by the measures adopted by the State during the period of Apartheid. Thus it may be argued that the current black low cost housing and community development crisis is a legacy of the past and that the problems apparent in the black residential areas today are rooted in the historical neglect of the needs of these communities.

CHAPTER THREE

Housing in the Cape Metropolitan Region.

3.1 INTRODUCTION.

The current housing and community development crisis is by no means exclusive to any particular region or locality in the country. It is a nation-wide crisis and has manifest itself in varying degrees in virtually every populated area both urban and rural. The Cape Metropolitan Area (CMA) is no exception and like most other urban areas in the country is also characterised by this problem. As indicated, the primary objective of this study is to critically assess the appropriateness of the measures being implemented at the National level to solve this crisis (most notably the current housing policy and the Reconstruction and Development Programme). The Cape Metropolitan Region has been selected as a study area and hence, before proceeding, it is necessary to first outline the nature of this problem as it exists here.

The objectives of this chapter are to:

- a) Identify the communities and households most affected by this crisis.
- b) Assess their socio-economic and demographic characteristics.
- c) Identify the areas within the urban environment that are characterised by this problem.
- d) Illustrate the dynamics of this problem within the urban sphere and those factors which may compound it in the future.

3.2 POPULATION SIZE.

Official population estimates (notably the 1991 census) for the Cape Metropolitan Area and particularly the black population contained within, have the reputation of being notoriously inaccurate. This may be attributed to the sampling and census methods that were used to define the size of this population group. However, portions of this census are considered accurate and unofficial estimates (conducted by various non-governmental organisations) have been used by the Cape Town City Council and other administrative bodies in the area to verify and update those produced by the 1991 census. The estimates generated by Dr. G. N.(Bertie) Van Zyl have been widely used in this regard.

In terms of this study population estimates are important for three primary reasons, namely:

- a) When considered along with the provision of low cost housing, they assist in establishing the present scale of the current housing backlog.
- b) Population estimates play an important role in the process of determining future housing need.
- c) Within certain locations in the urban environment, population estimates indicate the degree to which additional resources and planning need to be directed to particular areas in order to manage urban growth and satisfy the housing and public service needs the communities in these areas. This is particularly important in ensuring that resources are distributed to those areas lacking adequate housing and other infrastructure (basic services, community facilities, schools and hospitals).

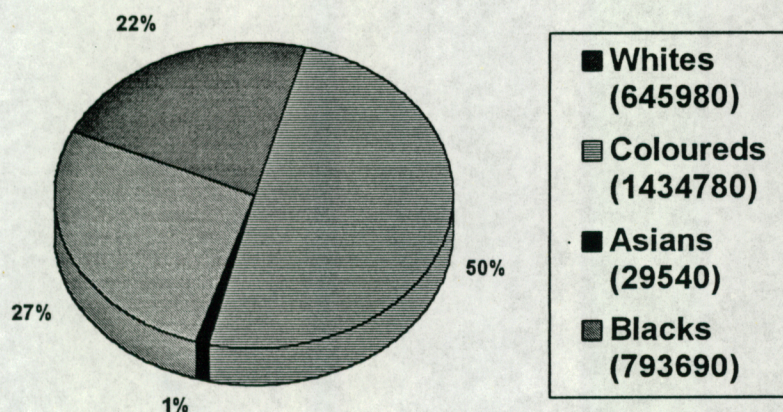
The aim of this section is to provide an insight into the size of the black population in the Cape Metropolitan Area and its expected future growth. This will be considered along with the number of people contained within the different black residential locations in this area. In addition, the number of people living within various housing types will also be discussed.

According to the latest population estimates generated by Van Zyl in 1995, the total Metropolitan population is estimated to be 2 903 990 people. This figure was derived using the 1991 census statistics (where applicable), estimated household densities, expected population growth rates and the results of other population studies conducted in the area. In addition, this population survey also determined the population estimates for each magisterial district in the area, specific locations within these magisterial districts and for different housing types in these locations (notably the black townships or residential areas). The full results of this survey along the methodology used and problems encountered are contained in appendix A.

The following diagram (figure 3.1), illustrates the number of people within each 'race' group contained within the Cape Metropolitan Area. The relative proportion of each in relation to the total population as estimated by Van Zyl (1995) is also depicted.

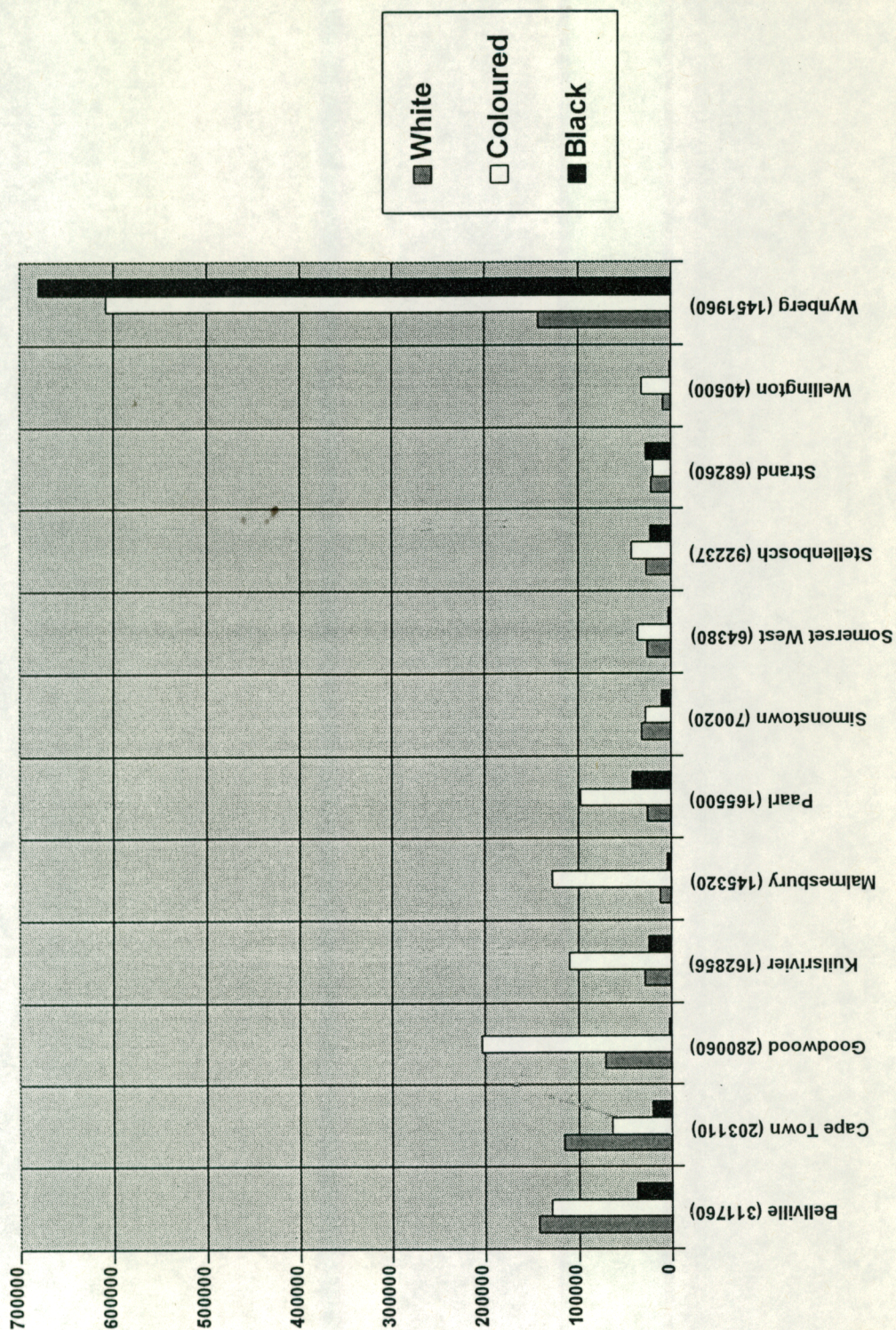
Figure 3.1

Proportion of Different Race Groups Contained within the Cape Metropolitan Area 1995.



The distribution of these population groups within the Metropolitan Area this is illustrated in figure 3.2. It is important to note that while this diagram illustrates this distribution according to the primary magisterial districts located within this area, various

Figure 3.2
Population Distribution in the Cape Metropolitan Region
by Magisterial District.



locations within these districts may contain concentrations of one particular 'race' group. For example, while the Bellville magisterial district is primarily white, certain areas within it's boundaries (notably Wallacedene and Bloukombos) are primarily black. This diagram does not however make provision for the concentration of certain population groups (notably black) within specific locations in each district.

Appendix A provides a list of the various magisterial districts located within the Cape Metropolitan Area, the size of the various population groups contained within each and the black residential areas within each district.

It is apparent in figure 3.2 that the majority of blacks in the Cape Metropolitan Area are located in the Wynberg magisterial district. It is estimated that 680 840 black persons (85.8 per cent of total black population in the CMA) presently reside in various forms of accommodation in this district. Hence, approximately 112 850 (14.2 percent) black persons reside in the other magisterial districts in the Cape Metropolitan Area.

Table 3.1 illustrates the primary black residential areas (townships) located within the Cape Metropolitan Area and the current population size of each. For purposes of comparison the estimates generated by the 1991 census have also been given (where possible) as well as those made by Van Zyl during 1992/mid 1993. The location of these areas is shown in figure 1.1.

Table 3.1
Population Sizes for the Primary Black residential Areas in the Cape Metropolitan Area.

Location	1991 Census	Van Zyl 1992/93	Van Zyl 1995	% increase since 1992/mid 1993
Khayelitsha	-	298240	325600	9.2
Langa	-	65700	69130	5.2
Guguletu	-	109700	115500	5.3
Nyanga*	-	96900	93910	- 3.1
Crossroads	-	21400	20220	- 5.5
Browns Farm	-	26400	32670	23.8
Bloekombos**	6888	19000	15460	- 18.6
Mfuleni	-	6780	8446	24.6
Rest of Metro Area	105422	90900	112754	24.0
Metropolitan Total	494341	735000	793690	8.0

* Nyanga including New Crossroads.

** Bloekombos and Wallacedene.

Source: CCCa 1994: 2; Van Zyl 1995.

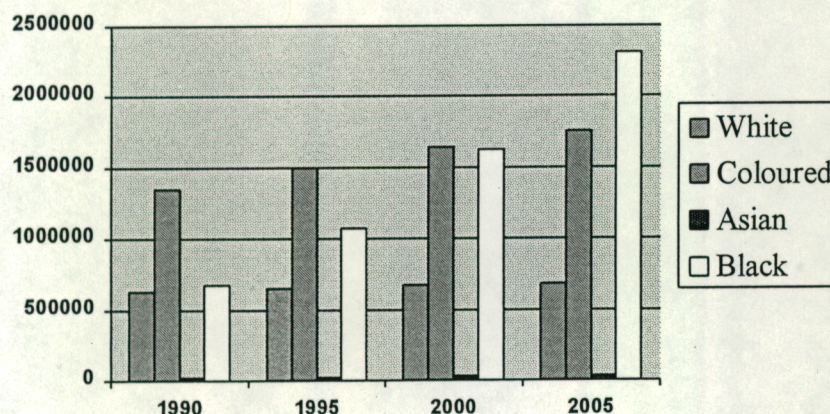
The total black population in the Cape Metropolitan Area has increased by 8 per cent (58 690 people) since 1992/mid 1993. According to Dewar (1992:243), this growth is primarily the result of the natural increase of this population group (high birth rates and low death rates) although a portion may be attributed to rural-urban migration. While most areas have experienced an increase in the size of their populations over this period others have notably decreased. The reason for this is the movement of people between different areas or what may be termed intra-urban migration (Dewar 1992:243). The table above also indicates that Khayelitsha is the largest black residential area within the Cape Metropolitan Area and contains 41 per cent of the total black population within this area.

The growth of the black urban population in the Cape Metropolitan Area is further illustrated by certain population projections that have been conducted in this area. Figure 3.3 depicts the Metropolitan population projections that were compiled by the Human Science Research Council (HSRC) in 1990. While no consensus appears to exist between the population estimates given in this projection and those generated by Van Zyl (1995),

it is however useful for the reason that it illustrates the fact that by the year 2005, the black population will be the largest group contained within the Cape Metropolitan Area. This may be attributed to the high growth rate of this group. According to Van Zyl (1995), the current average population growth rates (per annum) for the various 'race' groups in this area are as follows:

- a) Whites: 1.1 %.
- b) Coloureds: 2.2 %.
- c) Blacks: 3.0 %.
- d) Asians: 2.0 %.

Figure 3.3
Population Projections for the Cape Metropolitan Area in the Period 1990-2005.



Source: HSRC 1990 in CCCa 1994:2.

It is apparent that while the black urban population in the Cape Metropolitan Area presently constitutes almost one third of the total Metropolitan population that because of its high annual growth rate, this population group is expected to expand in the future to the point where it is the largest population group in the area. In terms of the current black housing and community development crisis this infers that if left unattended or ineffectively managed, the magnitude of this problem is likely to increase considerably in the future as the need for adequate housing increases.

3.3 HOUSING.

In view of the size of the black population located in the Cape Metropolitan Area, the aim of this section is to determine the type of dwellings occupied by this group. In addition, the relative number of people presently residing in the various types of housing found in the black residential areas will be ascertained. Within these areas five types of dwelling units exist. These dwelling types have been defined in the introduction to this study and include:

- a) Formal housing,
- b) Informal housing (including site and service),
- c) Hostels or compounds,
- d) Squatter accommodation,
- e) Backyard shacks.

The following table illustrates the number of people currently living within these types of accommodation in each of the primary black residential areas of the Cape Metropolitan Area.

Table 3.2
Proportions of the Black Population Located within different Housing Types in the Cape Metropolitan Area 1995.

Location	Formal Houses %	Backyard Shacks %	Hostels %	Other %*
Guguletu	35.0	18.2	30.4	16.5
Nyanga	19.8	6.1	38.7	35.4
Langa	16.7	10.0	59.2	14.1
Crossroads	40.2	0.7	-	59.1
Brown's Farm	3.5	-	-	96.5
Khayelitsha				
New Crossroads	-	-	-	100.0

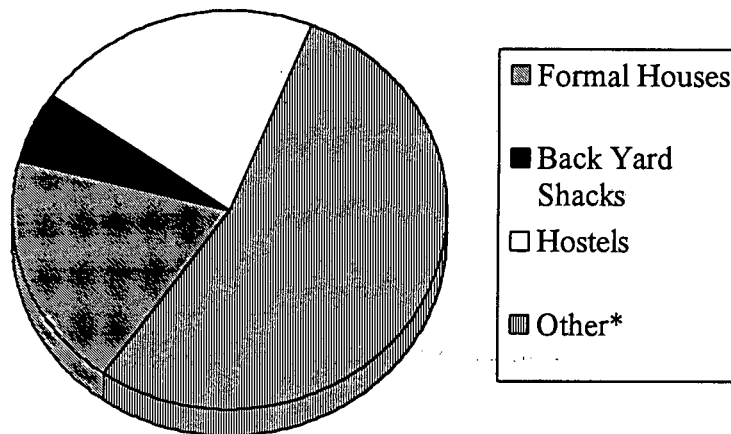
* includes squatter dwellings, informal houses, and site and service.

Source: Van Zyl 1995.

The table above indicates that within each of these areas (apart from Khayelitsha for which Van Zyl (1995) makes no housing distinction), a relatively small proportion of the black population is accommodated within formal housing and backyard shacks. In those locations where hostel accommodation is available a large proportion of this population is housed within this type of accommodation. Consequently, most of the black population is currently housed in informal accommodation, site and service areas and in squatter dwellings. When considering the size of the black population group in the Cape Metropolitan Area, this indicates the magnitude of the current shortage of formal housing. This shortage is also apparent in the following diagram (figure 3.4) which illustrates the proportion of the total black Metropolitan population living within the types of accommodation listed above.

Figure 3.4

Pie Chart Illustrating the Relative Proportion of Blacks living within different types of Accommodation in the Cape Metropolitan Area 1995.



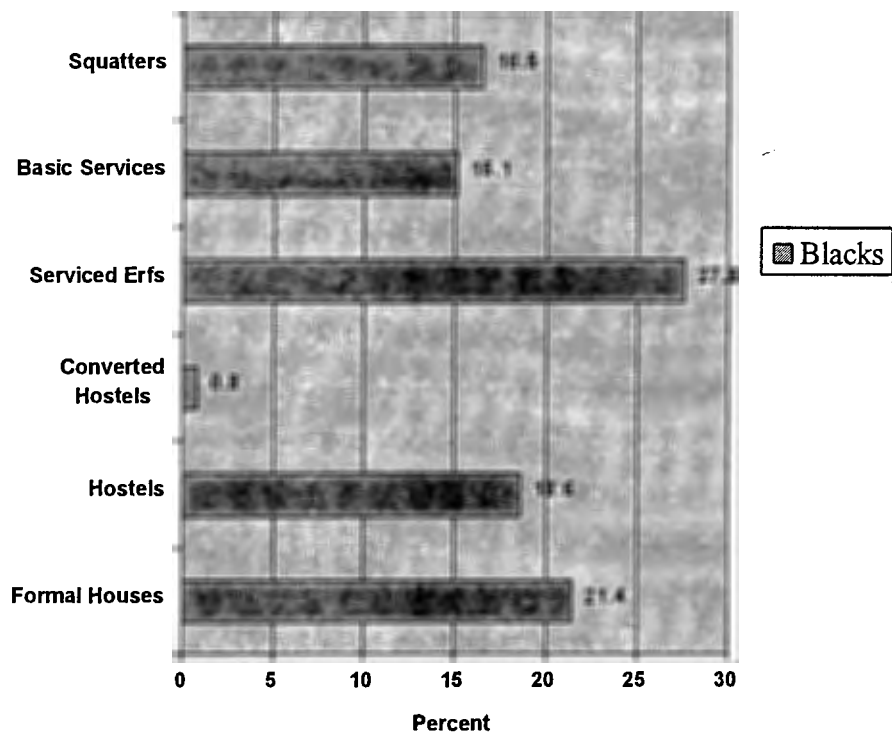
* Includes informal housing, site and service areas, and squatter accommodation.

Source: Van Zyl 1995.

While Van Zyl (1995) makes no reference to the types of accommodation occupied by the remainder of the black population in the Cape Metropolitan Area or in Khayelitsha, the conclusions drawn with reference to figure 3.4 and table 3.2 are similarly reflected in

the following illustration based upon research conducted by Van Zyl in 1992/mid 1993 (CCCa 1994: 10). The following diagram, figure 3.5, illustrates the relative proportions of the total black population in the Cape Metropolitan Area housed within the above mentioned dwelling types in 1992/mid 1993.

Figure 3.5
Proportions of Black Population Located within Various
Types of Accommodation in 1992/mid 1993.



Note: Dwellings possessing basic services and those located upon serviced erfs include backyard shacks.

Source: Van Zyl 1992/mid 1993 in CCCa 1994: 10.

Only 21 per cent of the black urban population in the Cape Metropolitan Area occupied formal housing in 1992/mid 1993. In addition, 17 per cent were housed in squatter type accommodation (shacks) and 43 per cent occupied dwellings with access to various

levels of services. With regard to the latter, it is important to note however that this figure indicates only the level of services provided and does not reflect the nature of the dwelling itself. By extension, because these dwellings are not included in the statistic pertaining to formal housing, one may assume that most are informal despite the fact that they have some degree of access to basic services. Consequently, if the current housing backlog is to be quantified in terms of the number of formal houses that presently exist relative to the size of the black population, it is evident that 79 percent of the black population within the Cape Metropolitan Area do not reside in formal housing. With regard to the location of informal settlements within the Cape Metropolitan Area, this is shown in figure 1.1.

In conclusion, with regard to the present status of black housing in the Cape Metropolitan Area, that most of the black population are presently accommodated in dwellings other than formal houses. While no definite population size estimates numbers are presently available, it is apparent of the approximate total number of blacks within this area (793690) only one fifth (158738 people) are housed in formal houses. The remainder are living in other forms of accommodation. Although the informal housing areas are dispersed and located within various areas of the Cape Metropolitan Area, most are contained within the black residential areas of the Wynberg magisterial district. This not only reflects the scale of the housing backlog but also indicates the areas into which additional resources will have to be directed in order to solve this problem.

3.4 THE LEVEL OF SERVICE PROVISION.

When considering the current black housing and community development crisis, emphasis cannot be placed solely upon the type of dwellings that are occupied by the black population. One must also consider the degree to which these dwellings are adequately serviced. Although information pertaining to the level of service provision in the black residential areas is limited the aim of this section is to utilise the results of a survey conducted by the World Bank in 1993 (World Bank 1993) pertaining to this

matter in order to ascertain the level of service provision in these areas. This information is however limited as it does not pertain to all of the black residential areas contained within the Cape Metropolitan Area. Despite this however, it does provide a useful insight into the general nature of service provision in these areas.

The survey was directed towards ascertaining the level service provision in specific black residential areas and was conducted with reference to the following services:

- a) Water.
- b) Sanitation (refuse removal).
- c) Roads.
- d) Storm water drainage.
- e) Solid Waste Removal (sewerage).
- f) Electricity.

The following areas were used in this survey (World Bank 1993: 4) and the level of service provision ascertained in both the formal and informal housing areas within these locations:

- a) Marconi Beam (Milnerton Municipality).
- b) Ikapa Municipality (Langa, Nyanga, Guguletu, Brown's Farm).
- c) Crossroads.
- d) Khayelitsha.
- e) Mfuleni.
- f) Imizamo Yethu (Hout Bay).
- g) Noordhoek.
- h) Wallacedene and Bloekombos.
- i) Lwandle.

Appendix B contains a table illustrating the standards that were used to describe the various levels of service provision in these areas. In general the following criteria were used to describe the services provided:

1. Minimum/ No services.
2. Basic services.
3. Intermediate/ Partial services.
4. Full services.

In addition, these areas were also categorised according to the following characteristics:

- a) IU - Informally planned and unserviced (no basic services),
- b) IPS - Informally planned and partially serviced,
- c) FPS - Formally planned and partially serviced,
- d) FFS - Formally planned and fully serviced.

Table 3.3 summarises the findings of this survey (World Bank 1993) and illustrates the level of service provision in these locations. It is apparent that the level of service provision differs between those areas containing formal housing and those which may be described as being informal. It is important to note that in this survey (World Bank 1993) the term 'formal stand' refers to both formal houses and to fully serviced 'site and service' stands. The term 'informal' refers to the squatter areas in which 'shack' dwellings are prevalent.

With regard to the *formal housing* areas (formal stands), it is evident that these houses or stands are presently fully serviced and have access to in-house water supplies, water-borne sewerage, regular weekly refuse collection and household electricity. In addition, many of the access roads in these areas are tarred and street lighting is provided (World Bank 1993: 3). The level of service provision in *backyard shacks*, while not of the same standard as that available to formal houses, is at the same time higher than in the informal housing areas. This may be attributed to the fact that these dwellings are located within the formal housing areas and therefore have access to the services provided here.

The Level of Service Provision in the Primary Low-Income
Black Residential Areas in Cape Town 1993.

Location	Settlement	Wat	San	Rds	Drn	Elec	Sld Was
Marconi Beam	IU	2	1	1	1	1	3
Langa							
Formal Stands	FFS	4	4	4	4	4	4
Hostels	FFS	4	4	4	4	4	4
Backyard Shacks	FFS	3	2	4	3	2	3
Informal (Squatters)	IU	2	1	1	1	1	2
Nyanga							
Formal Stands	FFS	4	4	4	4	4	4
Hostels	FFS	4	4	4	4	4	4
Backyard Shacks	FFS	3	2	4	4	2	4
Informal (Squatters)	IU	2	1	1	1	1	2
Guguletu							
Formal Stands	FFS	4	4	4	4	4	4
Hostels	FFS	4	4	4	4	4	4
Backyard Shacks	FFS	3	2	4	4	2	3
Informal (Squatters)	IU	2	1	1	1	1	2
Brown's Farm							
Formal Stands	FFS	4	4	4	4	2	4
Informal (Squatters)	IU	2	1	1	1	1	1
Crossroads							
Formal Stands	FFS	4	4	4	4	4	4
Informal (Squatters)	IU	2	1	1	1	1	2
Khayelitsha							
FORMAL STANDS							
Tem bani	FFS	4	4	4	4	4	4
Block B	FFS	4	4	4	4	4	4
Village 1 and 2	FFS	4	4	4	4	4	4
Town 2	FFS	4	4	4	4	4	4
Town 3	FFS	4	4	4	4	4	4
Village 4c	FFS	4	4	4	4	4	4
SEMI-DETACHED							
Block C	FFS	4	4	4	4	2	4
INFORMAL							
Block C	IU	1	1	1	1	1	1
Silvertown	IU	2	1	1	1	1	2
Bermuda/Greenpoint	IU	2	1	1	1	1	2
Mfuleni							
Formal Stands	FFS	4	4	4	4	4	4
Informal (Squatters)	IU	2	1	1	1	1	1
Imizamo Yethu	IU	2	1	1	1	1	3
Noordhoek							
Formal Stands	FFS	4	4	4	4	4	4
Informal (Squatters)	IU	2	1	1	1	1	3
Wallacedene							
Formal Stands	FFS	4	4	4	4	4	4
Informal (Squatters)	IU	2	1	1	1	1	1
Bloekombos	IU	2	1	1	1	1	1
Lwandle							
Formal stands	FFS	4	4	4	4	2	4
Hostels	FFS	4	4	4	4	4	4

Source: World Bank 1993 - Aide Memoir.

In general, these dwelling have access to water by means of a yard standpipe, basic sewerage removal and restricted electricity supplies (prepaid meter).

The level of service provision in the *informal* housing areas is however minimal. While this is true for most services, access to solid waste removal and water does however exist and are apparent in the form of pit latrines and water standpipes. These areas do not have access to electricity, adequate storm water drainage, tarred roads or regular refuse removal (World Bank 1993:3).

Consequently, although the survey was limited to only some of the black residential areas in the Cape Metropolitan Area it does however reflect the general level of service provision in these locations as a whole. Of particular importance is the fact that the informal housing areas are largely unserviced and hence the people living in these areas do not have access to adequate basic services. According to the Cape Town City Council (CCCa 1994: 10), approximately 16 per cent of the total black population in the Cape Metropolitan Area were located in these areas in 1992/mid 1993. This problem is being compounded by the fact that increasing numbers of blacks are being forced to seek accommodation in these areas due to the current lack of formal housing and high population growth rate.

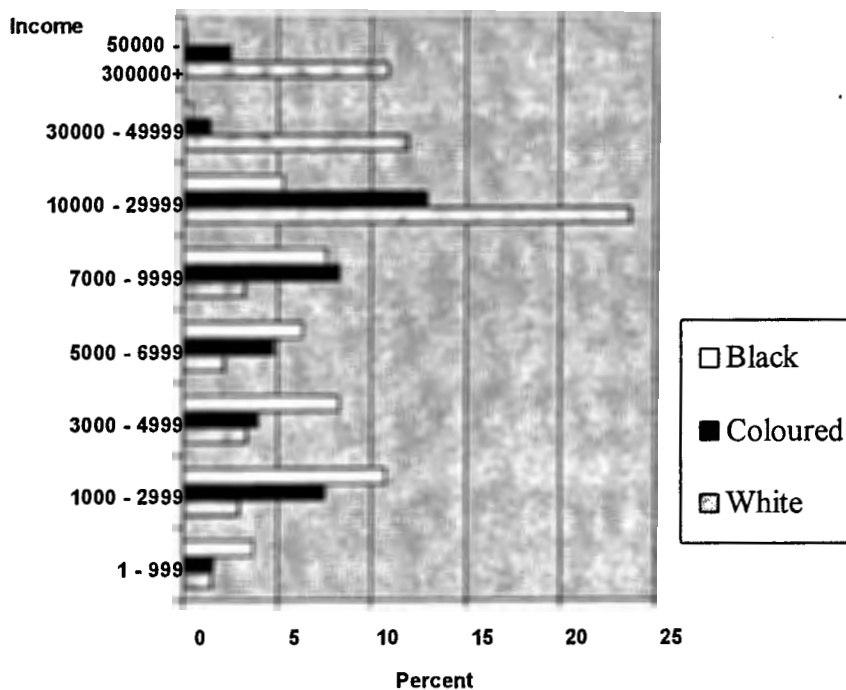
3.5 INCOME AND EMPLOYMENT.

It has been demonstrated that various restrictive measures placed upon the black population in the past have resulted in most being confined to low-paying unskilled occupations and constrained in their ability to accumulate capital. In terms of the current housing crisis the low-incomes received by this group provides an explanation as to why blacks are today unable to afford to provide their own formal accommodation. It is important to note that their ability to do so in the past was also constrained by the fact that blacks were not permitted to own land. Furthermore, blacks were also historically constrained in their ability to socially and economically uplift themselves by

obtaining higher paying occupations because of the restrictions placed upon their access to education and training.

The legacy of these past discriminatory practices are apparent in the fact that most blacks are today largely unskilled and confined to low paying occupations. In this regard the Cape Metropolitan Area is of no exception. The aim of this section is to identify the incomes received by blacks in this area and the occupational categories to which most belong. This analysis is important in terms of this study as the low incomes received by most blacks are a principal constraint upon the States' efforts to alleviate the present housing crisis. This will be discussed in more detail later in this work. The following diagram (figure 3.6) illustrates the frequency distribution of income received by the Metropolitan Population. It is based upon data gathered during the 1991 census.

Figure 3.6
Personal Income Distribution of the Metropolitan Population in 1991.



Source: Cape Town City Council (CCCa 1994: 6).

It is apparent that the majority of blacks fall into the lower income categories (earning less than R3500 per month) and that very few earn high monthly incomes. According to the Cape Town City Council, 57 per cent of this population receive no income at all (CCCa 1994: 6). This may be attributed to the unemployment rate which was placed at between 20 and 30 percent in 1990 (CCCa 1994: 9). Although useful in a general sense, this diagram however makes no distinction between the incomes received by blacks living in different housing types and locations. It is envisaged that the results of Project Migration will provide a more detailed description of the income profiles of the black Metropolitan population.

In addition, figure 3.6 also reveals the discrepancies and inequalities that exist between the incomes received by the black population and the remaining population groups living in the Cape Metropolitan Area. In particular, the relative affluency of the white population group is demonstrated. This discrepancy may be attributed to the different in levels of education and training enjoyed by these groups and subsequently the predominant occupational categories into which they fall.

With regard to levels of education, according to the Cape Town City Council (CCCa 1994: 7) most blacks within the area are less educated than their white counterparts. In 1991 it was estimated that only 16 per cent of blacks possessed a matriculation exemption as opposed to 49 per cent of whites. Moreover, 21 per cent of whites possessed university degrees or diplomas. Only 1 per cent of the black population possessed any form of university qualification.

These levels of education are reflected in the types of occupation performed by the black Metropolitan population. According to the Cape Town City Council (CCCa 1994: 5), the majority of blacks occupy low paying jobs. These include industrial and construction workers (17 per cent) and those occupations orientated about service provision (13 per

cent). Furthermore, only 1 per cent of blacks were involved in professional or technical occupations and 0.3 per cent in managerial and administrative professions where whites are prevalent.

3.6 CONCLUSION.

This chapter has attempted to provide an insight into the magnitude of the current black low cost housing and community development crisis in the Cape Metropolitan Area. The seriousness of this problem is apparent in the fact that only 19 per cent of the black population living in the primary black residential areas (excluding Khayelitsha) are currently housed in formal accommodation (Van Zyl 1995). Of those remaining, 54 per cent are currently living in informal 'shack' dwellings (including site and service structures), 6 per cent in backyard shacks and 21 per cent in hostels. Given the size of the black population in this area, which is estimated to be 793 690 people, this indicates that 642 889 people are currently in need of adequate formal housing (Van Zyl 1995). The shortage of formal housing is most apparent in New Crossroads and Browns Farm where almost the entire population in these areas are currently living in informal 'shack' dwellings. A large proportion of people living in this type of accommodation is also apparent in Crossroads (59 per cent) and Nyanga (35 per cent). Furthermore, it is apparent that most of the informal housing areas lack access to adequate basic services.

It is important to note that while statistics describing the number of black people living in inadequate housing conditions largely pertain to the primary black residential areas, that a number of smaller black communities also reside the Cape Metropolitan Area (in Noordhoek and Hout Bay for example). Most of these settlements are informal and consist of temporary 'shack' dwellings. The reason for this is that the formal accommodation provided for blacks by the State and private sector in the past was largely confined to the established black residential areas or 'townships.' Little housing was constructed outside of these areas.

The magnitude of this housing shortage is presently being compounded by the high growth rate of the black population. As indicated, by the year 2005 it is anticipated that the black population will have reached over 2 million people and will constitute the largest population group in the Cape Metropolitan Area (HSRC 1990 in CCCa 1994:2). By extension, unless formal accommodation can be provided at a rate equal to the expected growth of this population, the housing shortage is likely to increase considerably in the future with demand far exceeding the rate of supply of housing. This implies that increasing numbers of informal settlements are likely to develop in and around the Metropolitan area and will exacerbate the incidence of relative and absolute poverty found here. It is thus important that the current housing policy is able to effectively alleviate solve the current housing shortage and provide formal accommodation on a sustainable basis in the future.

The proceeding analysis has also indicated that the majority of blacks in the Cape Metropolitan Area receive low monthly incomes (less than R3500 per month) and that this may be attributed to a lack of skills and low-paying occupations. The importance of this in terms of the current housing policy will be discussed later in this study. At this stage, it is important to note however that the low incomes received by most black people are a constraint upon their ability to improve their living conditions and obtain more adequate forms of housing. The fact that most blacks currently reside in informal 'shack' dwellings may be partially attributed to the fact that they are unable to afford the costs associated with constructing formal housing. They are economically restricted to inadequate housing types. The ability of blacks to afford to provide their own formal housing will be dealt with in greater detail later.

It is evident therefore that the Cape Metropolitan Area is characterised by a considerable shortage of low cost formal housing and that this is being compounded by increasing levels of demand and the inability of most blacks to provide their own formal accommodation. While this analysis has been confined to the Cape Metropolitan Area, it is important to note that similar shortages of formal housing exist in virtually all urban

areas within the country. Given the urgency and magnitude of this problem, the new Government has outlined as one of its primary objectives the formulation of policies designed to provide an effective solution to the current black housing and community development crisis. These policies are embodied in the Reconstruction and Development Programme and the National Housing Policy. It is to an analysis of these two strategies that this work now turns.

CHAPTER FOUR

Current Housing and Community Development Policy.

4.1 INTRODUCTION.

So far this work has attempted to outline the magnitude, dimensions and origins of the current black housing and community development crisis and, in particular, that portion of this national crisis which pertains to the Cape Metropolitan Area. The aim of this chapter is to outline current State policies and responses towards this problem. This analysis is important as the primary aim of this work is to generate a critique of these policy measures using the information derived from the afore mentioned survey. In light of this, it is therefore necessary to indicate the nature of those policies to be assessed. Whilst current policies in this regard are designed to be implemented on a national level and are not therefore specific to the Cape Metropolitan Area, for the purposes of this analysis these policies will be considered as they are intended to address this problem on a nation-wide basis.

At the national level, efforts to solve the housing and community development crisis are being undertaken by the Department of Housing (DOH) and the Reconstruction and Development Programme (RDP). It is envisaged by the State that, whilst the efforts being made by these two structures are inter-related and complementary, they will perform separate functions. It is perceived that the Department of Housing will address the current shortage of low-income black housing within the urban areas. This is to be achieved through policy designed to facilitate the provision and generation of such housing. Concurrently, the Reconstruction and Development Programme has been charged with the task of transforming the black residential areas into economically and socially progressive community environments. The exact means through which these objectives are to be met will be outlined in this chapter.

4.2 THE RECONSTRUCTION AND DEVELOPMENT PROGRAMME (RDP).

4.2.1 Introduction.

The National Reconstruction and Development Programme (NRDP), was officially tabled in Parliament on the 15th of November 1994 and made public in the form of a white paper published on the 23rd of November 1994. It was designed to be a policy instrument to facilitate socio-economic development and progress within the country in a bid to alleviate the numerous inequalities that were generated during the colonial and Apartheid eras.

According to a document issued by Minister without Portfolio (Mr. Jay Naidoo), who is responsible for the implementation and co-ordination of the RDP, "the RDP is an integrated programme, based on the people, that will provide peace and security for all and build a nation. It links reconstruction and development and deepens democracy" (Minister without Portfolio 1994:2). The Minister goes on to add that "the key programmes of the RDP are meeting basic needs, including rural and urban development, developing (our) South Africa's human resources, building the economy and democratising the State and society and its institutions" (Minister without Portfolio 1994:2).

Thus, the RDP arose out of the recognition that the history of South Africa was one characterised by colonialism, racism, Apartheid, sexism and repressive labour practices and that these factors have today culminated in a situation in which "poverty and degradation exist side by side with modern cities and a developed mining, industrial and commercial sector" (South Africa 1994:7). As has been illustrated, the economy and society of South Africa were built primarily upon racial division.

The rural areas were divided into white owned commercial farms and underdeveloped, overcrowded and overutilised homelands (bantustans) for blacks. The urban areas were segregated and blacks were confined to townships lacking in services, infrastructure, adequate housing, and community facilities. These areas stood in contrast to the well resourced areas reserved for whites. Blacks were also denied those factors facilitating their socio-economic upliftment and empowerment through segregation in the spheres of employment, job creation, welfare, education, health and transport (South Africa 1994:7).

These factors have resulted in a high incidence of inequality, poverty, and economic inefficiency in the economy and society of South Africa. This is manifest in the fact that the resources of the country are not equally distributed between the various race groups. Furthermore, the majority of blacks have been left in a position where their personal resources (education, training and income) and community conditions are such that they are constraints upon their ability to uplift themselves economically and socially and in so doing to improve their living and community conditions.

In light of this, the principal aim of the RDP is to generate the conditions in which socio-economic progress and development may take place as a means towards eradicating these present inequalities and results of Apartheid (South Africa 1994:7). As such, it intends to transform South Africa by:

- a) developing strong and stable democratic institutions,
- b) ensuring representivity and participation,
- c) ensuring that South Africa becomes a fully democratic, non-racial and non-sexist society,
- d) creating a sustainable and environmentally friendly growth and development path.

(South Africa 1994:7)

RDP policy is characterised in two primary ways. *Firstly*, its programmes reflect the principle of public participation. The success of the RDP is seen to be contingent upon the participation of individuals and communities in the reconstruction and development of their communities, and the country as a whole. Development is subsequently perceived to be a people driven process. Organisations within civil society and individual communities are encouraged to take responsibility for the effective implementation of the RDP programmes.

Secondly, the RDP is not perceived to be a process in isolation. Instead, its policies and programmes are designed to incorporate the functions of various other departments within Government. Hence the programme will in part be centred about the co-ordinated efforts of these various Government departments towards a common objective. In this way the RDP is particularly intertwined with the policies and efforts being made by the DOH.

Five key programmes are incorporated within the RDP:

- a) Meeting basic needs,
- b) Developing South Africa's human resources,
- c) Building the economy,
- d) Democratising the State and society,
- e) Implementing the RDP.

These programmes not only reflect the objectives of the RDP, but also provide a framework through which the development of the country and the alleviation of inequality and poverty may occur. Further analysis of these programmes will be undertaken at a later stage in this work when the efforts being made by the Western Cape RDP will be assessed.

4.2.2 The Functioning of the RDP.

The aim of this section is to outline in more depth the functioning of the RDP. It will attempt to illustrate the way in which the RDP is structured, related to Central Government, funded, and how it intends facilitating development at the "grass roots" level.

However, one cannot assess the way in which the RDP functions without firstly identifying in more detail the specific aims of this programme. In general, the RDP is an holistic development programme. As has been indicated, the South African economy and society is characterised by a number of inequalities. These inequalities are multi-dimensional and are not confined to a single cause nor manifest in a single problem. Instead, they are reflected in the way in which the black population in South Africa was relegated to a position of relative socio-economic poverty, and denied (to varying degrees) access to adequate housing, basic services, adequate health care, education and training, social services, community facilities, higher paying job opportunities, and political representation.

The aim of the RDP is to reverse these conditions and provide people with the opportunity to socially and economically uplift and empower themselves and thereby improve their living conditions. It is perceived that this will be achieved through the generation of an economic, social and political climate in which this is possible. To this end the RDP has stated that it intends to:

- a) plan according to the needs of people and involve them in decision making,
- b) create jobs and transfer skills to people, thus integrating them into the economy,
- c) get the best value for money, account for every cent and penalise corruption,
- d) make the public service efficient, productive, transparent and accountable,
- e) transform Government institutions and harness their energy to fulfil the RDP".

(Minister without Portfolio 1994:2)

Within the context of these aims, the specific measures and transformations being implemented by the RDP include:

- a) The shifting of expenditure patterns to cater for the new priorities encompassed within the reconstruction and development process. This shift is currently taking place in all levels of government, including national, provincial and local government.
- b) The reorganisation and restructuring of State and parastatal institutions to facilitate the implementation of the RDP.
- c) The restructuring of the civil service to optimise the human resources located within this organisation and to facilitate its involvement in the RDP process.
- d) Increased expenditure in education and training to empower people with the ability to socially and economically uplift themselves, attain higher paying jobs, improve their living conditions, and invest in their communities.
- e) The development of a partnership between government and the private sector to incorporate private sector involvement in the reconstruction and development process.
- f) The establishment of law and order with the express aim of generating a climate conducive to investment and development.
- g) The introduction of new local government structures to facilitate the increased involvement of Local Government in the RDP process and to facilitate adequate community representation.
- h) The introduction of measures designed to increase community participation in the reconstruction and development process and to empower communities and individuals with the responsibility of their own development.

(Minister without Portfolio 1994:2)

As is evident, the approach being adopted by the RDP is wide ranging in its attempt to facilitate the development process. It is contingent upon the involvement of all sectors of the society, administration and economy. Central to this approach is the involvement and

transformation of various levels of Government, the private sector, non-governmental organisations, and the public. The functions pertaining to each will be discussed in the following section.

4.2.3 The Approach and Structure of the RDP.

The RDP incorporates a process in which individual communities are responsible for the identification of their own development needs. This approach is based on the principal of community participation and attempts to account for the fact that different communities within the country may have different development needs. Consequently, the RDP is essentially a 'bottom-up' approach towards development. This is illustrated in figure 4.1, which depicts the structure of the RDP and the interlinkages that exist between the various agencies and institutions involved.

The role of the RDP in this process is to ensure that these development needs are satisfied. This is achieved by ensuring co-operation at all levels of Government in this process and the involvement of those Government Departments concerned. The National RDP office is charged with the task of co-ordinating these efforts. For example, if a particular community reaches consensus upon the fact that it needs additional educational facilities, the National RDP office will ensure that those government institutions concerned (notably the Department of Education) respond to this need and facilitate the provision of such facilities.

The following discussion aims to illustrate the functions of each institution within the structure of the RDP, and the processes of development at the "grass roots" level. This will serve to clarify this process.

National Government RDP Structures.

The task of National Government is to set the broad objectives of the RDP, and to generate policies to be implemented at the Provincial and Local Government levels. The primary Government structures at the level involved in the RDP are:

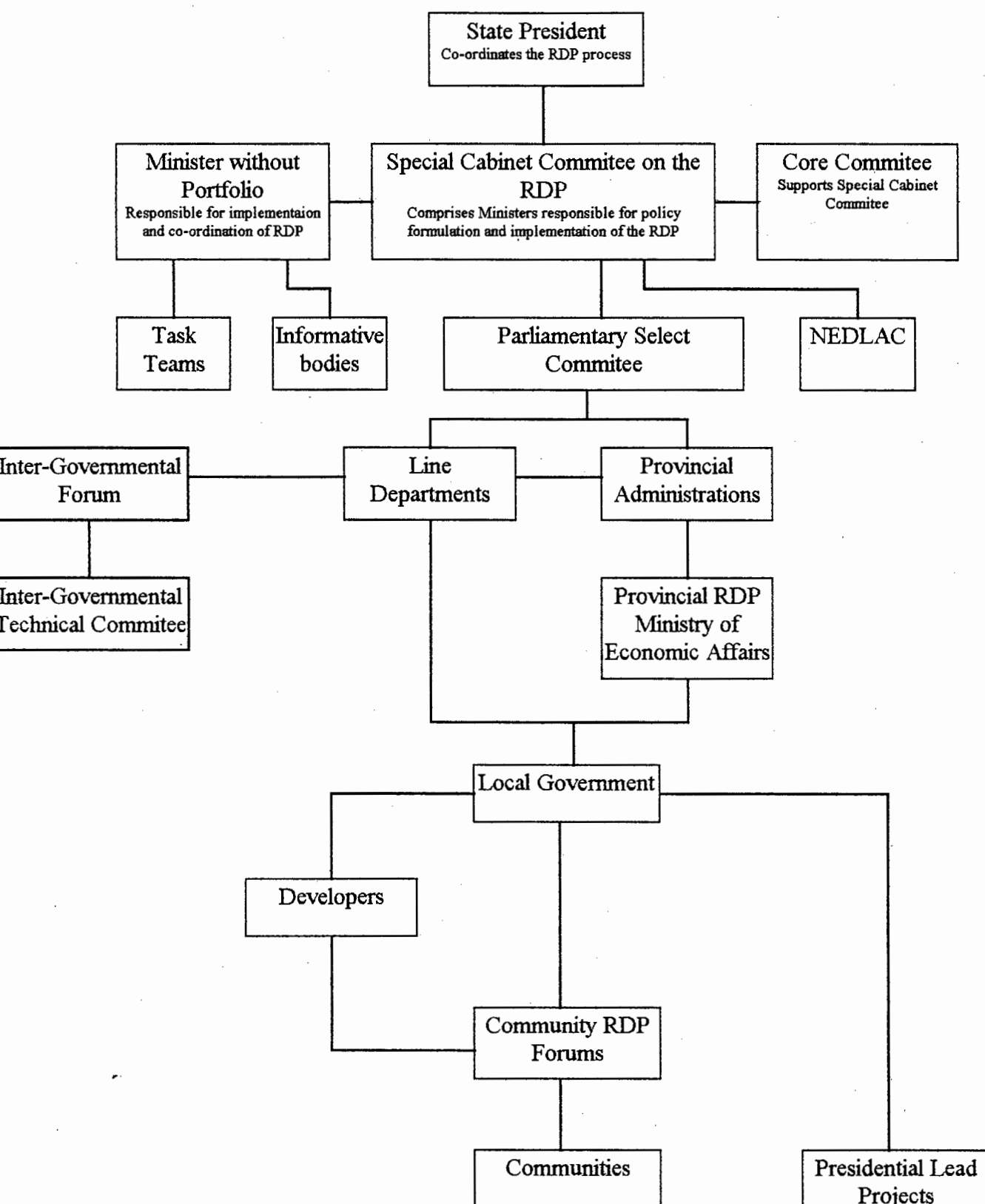
- a) The State President,
- b) The Minister without Portfolio,
- c) The Special Cabinet Committee on the RDP,
- d) The Core Committee.

At this level the State President is responsible for the overall co-ordination of the RDP. The Minister without Portfolio is charged with the structure and functioning of the reconstruction and development process, ensuring its effectiveness, and providing input as to the direction the programme should take. To fulfil these objectives, the Minister is supported by various task teams and the inputs from information organisations such as the Central Economic Advisory Service (CEAS), the Central Statistics Services (CSS) and the National Productivity Institute (NPI). The task teams aid the Minister through:

- a) Facilitating inter-departmental and inter-governmental (between the various levels of government) co-operation and the implementation of various RDP policies and strategies,
- b) Advising the said Minister upon the implementation of RDP programmes,
- c) Monitoring the impact and effectiveness of certain policies and strategies,
- d) Advising the Special Cabinet Committee on specific RDP and development priorities.

Through this input the Minister without Portfolio is able to provide recommendations to the Special Cabinet Committee regarding the approach the RDP should take and the nature of policies to be generated (South Africa 1994:12). The Special Cabinet

Figure 4.1
Flow Diagram Illustrating the Structure of the RDP.



Committee is co-ordinated by the Minister without Portfolio. It comprises Ministers from various Government Departments responsible for RDP policy formulation and implementation.

This Special Cabinet Committee is charged with:

- a) Establishing RDP goals and priorities,
- b) Formulating RDP policies and ensuring that they are implemented,
- c) Ensuring inter-departmental and inter-governmental co-operation in the RDP process,
- d) Providing RDP projects with adequate funding,
- e) Monitoring the effectiveness and success of RDP projects (South Africa 1994:12)
- f) Ensuring that RDP projects comply with accepted environmental norms,

This committee plays an important role in the RDP process as it is here that funds are allocated towards those community development needs submitted to the various Provincial and Local Governments. This committee also ensures that these projects are successfully completed, are supported by co-operation between the various levels of Government and Government Departments involved, and that the policies of the RDP are effectively implemented. The Special Cabinet Committee is advised by the National Economic, Development and Labour Council (NEDLAC) in its approach and policies.

The Core Committee aids in democratising this process. It is situated within Parliament and facilitates public discussion regarding the policies, strategies and approach of the RDP (South Africa 1994:13).

Provincial Government RDP Structures.

Whilst the policies of the RDP are determined at the National level, the actual implementation of these policies is carried out at Provincial and Local government levels. The reasons for this are twofold.

Firstly, it is at this level that Government is most accessible to the public and most amenable to public input. This factor is important as public input and the active participation of local communities in solving their own development needs is an integral part of the RDP.

Secondly, Provincial Governments and especially Local Governments are more 'in touch' with the communities they represent than National Government is. Hence, they possess greater knowledge regarding the development needs of the communities they represent.

The programmes of the RDP are also implemented by the various line departments within both National and Provincial government (South Africa 1994:14). Co-operation between these line departments, National Government and Provincial Government is of utmost importance in ensuring that the policies and programmes of the RDP are implemented in an effective and efficient manner.

Within Provincial Government, the implementation of the policies and programmes of the RDP are the responsibility of the Provincial Premier, and/or the Ministry of Economic Affairs. Task teams within Provincial Government aid in this process and in identifying appropriate strategies towards solving the development needs in these regions (South Africa 1994:18). The functions of Provincial Government in the RDP are to:

- a) Redirect expenditure and resources towards the RDP priorities,
- b) Consult with local communities on RDP programmes and development needs,
- c) Develop institutional capacity to implement the RDP;
- d) Co-ordinate civil society (labour, community organisations, the private sector) so as to fulfil the objectives of the RDP;

- e) Facilitate community participation in the development process by empowering people with the ability to re-direct their own development (people driven process);
- f) Implement the necessary reforms to meet the conditions required for the RDP to be successfully implemented (South Africa 1994:18).

Hence, with regard to the implementation of the RDP, Provincial Government is envisaged to perform this role at grass roots level. Certain transformations within this structure are necessary in order for this to occur and Provincial Government mechanisms will be redirected towards developmental planning and delivery. According to the RDP White Paper (South Africa 1994:18), it is important that the RDP is not reduced to a collection of individual development projects, but that it is perceived to be and conducted as an integrated programme for transformation and development.

Local Government RDP Structures.

Local Government is perceived to be the “hands and feet of the RDP” (Minister without Portfolio 1994:3). It is perceived to be the primary means through which local communities are represented and public participation in the development process encouraged.

In the reconstruction and development process Local Authorities play an important role. It is through these institutions that basic services are provided, local control extended, public resources redistributed and local economic development managed. Effective local representation is necessary if Local Authorities are to work with their respective communities, community based organisations and non-governmental organisations (NGO's) to facilitate effective governance and development projects (South Africa 1994:18). This is one of the reasons underlying current initiatives being made to reorganise Local Authorities and instigate democratic local elections.

The responsibilities of Local Government in the RDP are:

- a) To ensure proper co-ordination of the development process;
- b) To maintain standards;
- c) To redirect local finances towards meeting the development objectives of the RDP;
- d) To restore and maintain basic services and extend such services to those areas presently lacking such services.

Hence the role of Local Government in the RDP is characterised by increased interaction between these institutions and the communities they represent. It is perceived that this interaction will bring to the fore community development needs enabling them to be met. To this end adequate Municipal representation is vital.

Funding for development projects initiated by Local Authorities will be derived from the rates and taxes paid by those communities concerned, and from the RDP (This will be outlined later in this chapter). The State recognises the fact that Local Authority finances may be restricted in this regard due to the poor economic base in black communities. This is a result of the low incomes received by many of the people in these communities. The present culture of non-payment for public services and amenities has also culminated in a situation in which Local Authority finances are not being adequately replenished. In this regard, the 1994 RDP White Paper (1994:19) states that this culture of non-payment shall have to be reversed if funds for development are to be made available to Local Authorities. Furthermore, additional finance from the RDP fund may be directed towards these institutions if it is perceived that they are acting in the interests of the RDP.

4.2.4 The Process of Development under the RDP.

The previous section has outlined the nature and responsibilities of the agencies responsible for the execution of the RDP. The purpose of this section is to demonstrate the manner in which development through these agencies may occur at the community level.

As has been indicated, central to the RDP is the expectation that individual communities are responsible for the identification of their own particular development needs. To facilitate this communities are encouraged to organise their own RDP forums. These forums represent the development needs of individual communities, and act as mechanisms through which these needs may be presented to the relevant Local Authority, Provincial Administration and the National RDP Office.

More specifically, development needs and projects identified by local RDP forums are submitted to the relevant Local Authority. These projects are in turn submitted to the Provincial Administration as local programmes. These local programmes are then passed on to the National RDP Office upon where they are prioritised and the impacts and costs of each project assessed. Prioritisation is necessary due to the fact that funds allocated to the RDP through the National budget are limited. Once this stage has been completed a funding package for these projects is submitted to cabinet which in turn makes the final decision (Minister without Portfolio 1994:4). Thereafter, once the Provincial Government has been allocated the necessary funds, these funds are directed towards that organisation (either a private developer or the relevant local authority) employed to provide that development need, be it infrastructural or service orientated in its nature.

The length of time between the point at which a particular community reaches consensus upon a certain development need and that point at which the project is completed may be considerable. It was estimated by Mr. S. Samuals from the Department of Economic Affairs in the Western Cape RDP that this process may take up to twelve months.

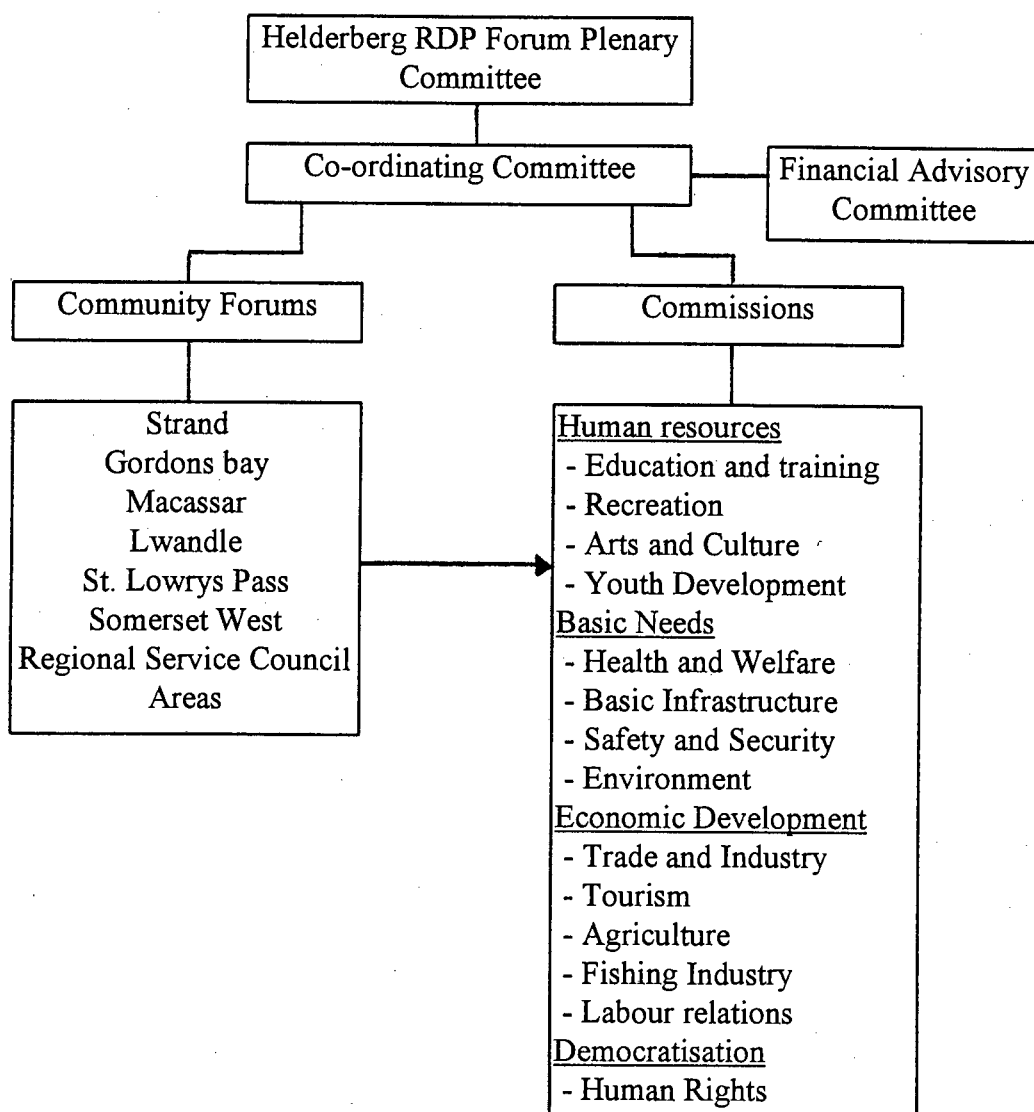
Consensus regarding community development needs is facilitated by the establishment of a number of organisational sub-structures within the local RDP forums. Figure 4.2 illustrates these sub-structures and is based upon the Helderberg RDP forum. It is apparent that a single community forum may represent the needs of a number of local communities. Structures within the forum facilitate discussion centred about the establishment of prioritised development needs within each local community. Commissions of enquiry launched by the community forum may contribute to this process by identifying areas of need within each community. The purpose of these structures is to ensure that each community and its needs are represented and catered for by the community forum, and that these needs are formally submitted to the relevant Local Authority and Provincial Administration.

Before funds are allocated to a particular community development project, that project is required to have a business plan (Minister without Portfolio 1994:4). This business plan is compiled by the community forum outlines:

- a) The aims and objectives of the project;
- b) The nature of the consultation process with the relevant communities;
- c) The means by which the project is to be implemented;
- d) The cost and cash flow of the project;
- e) The monitoring procedures to be used;
- f) The particular community training needs that will be met through the implementation of the project.

Figure 4.2

Sub-structures Contained within the Helderberg RDP Forum.



(Source: Forum for Community Development seminar, 2 June 1995, Cape Town)

Hence, this process is largely dependent upon the participation of those communities involved. It attempts to not only satisfy their development needs but to also empower these communities through training with the ability to further their own socio-economic development and consequently improve their living conditions.

4.2.5 The Financing of the RDP.

The primary source of finance for development under the RDP is the RDP fund. This fund was established in terms of the RDP Fund Act of 1994 and is controlled by the Minister of Finance although funds are allocated by the Minister without Portfolio.

In addition to providing funds for the RDP, the fund is also perceived to be a mechanism through which the general change envisioned by the RDP may take place (South Africa 1994:14). In this regard, the fund also seeks to:

- a) Re-prioritise the expenditure provisions contained within the National budget;
- b) Redirect Government expenditure away from consumption spending and towards capital investment;
- c) Initiate Presidential lead projects and public sector restructuring.

The primary source or revenue for this fund is that derived from other Government departments in accordance with savings being made. These funds are allocated to the RDP by Parliament. At present the RDP budget for 1994/1995 is 2.5 billion rand. This is expected to increase to 5 billion rand in 1995/96, 10 billion rand in 1996/97, and 12.5 billion thereafter (South Africa 1994:14).

Other sources of revenue also exist, namely:

- a) International and domestic grant aid;
- b) That interest earned from the investment of revenue currently standing to the credit of the RDP fund;
- c) That revenue gained from the sale of State owned assets;
- d) Revenue gained from gambling and lotteries;

Funds derived from the savings being made by other Government Departments are reallocated by the RDP back to these various Governmental institutions upon receipt of an official business plan which outlines the nature of projects being undertaken by these institutions in accordance with the objectives of the RDP. In this way the RDP is able to ensure that funds allocated to Governmental Departments are used for the provision of prioritised development needs and projects. This process was reiterated by RDP Chief Bernie Fanaroff in a statement in which he declared that "the first step in meeting the needs of marginalised communities is for individual Governmental Departments to identify their priorities, develop strategies based on those priorities and redirect funds within their own budgets away from non-priority issues" (Argus August 31, 1995)

Appendix C shows the fund allocations that were made to RDP projects during 1994/95. A large proportion of the funds allocated during this period were directed towards the extension of municipal services which received R500m. Other areas to which large amounts of funding were allocated were, the community public works programme (R250m), the township rebuilding programme (R304.6m), the rehabilitation and rebuilding of schools (R100m), and the provision of clean water in the rural areas (R59.4m).

The manner in which the RDP is presently being funded involves the transformation of existing structures and procedures. This is apparent in the way in which the national budgetary system is being reformed and Government spending patterns changed. The purpose of these measures is to not only re-direct funds towards the RDP but to also

avoid excessive balance of payments problems and inflationary tendencies which may result from funding the RDP without such measures (ANC 1994:142). These measures are also designed to encourage economic growth and investment into the country in an effort to raise the general living standards and employment opportunities of the lowest income groups. This growth and economic development will also enable additional resources to be directed towards the RDP (ANC 1994:143).

4.3 THE WESTERN CAPE RDP.

The previous sections in this chapter have outlined the general functioning, financing and process of development inherent in the RDP at the national level. The aim of this section is to contextualise this programme within the scope of this work. This will be achieved through an assessment of the programmes of Western Cape RDP and in particular those related to the development of the black urban areas.

It has been mentioned that the task of implementing the RDP has been assigned to all levels of Government including Provincial Government and various Local Authorities. The Western Cape RDP is consequently that part of the overall RDP being initiated and co-ordinated by the Western Cape Provincial Administration.

Although each Provincial Administration within the country has been granted the ability to implement the RDP in accordance with the particular circumstances, problems, and strengths and weaknesses within their province, to a large degree the basic principles and approach adopted by the National RDP are adhered to on the Provincial level. In the Western Cape this is reflected in the words of the Premier (Mr. H.J.Kriel) when he stated that "in formulating an appropriate overall approach, my government agrees that the basic principles of the RDP must be adhered to" (Kriel 1994:1).

The programmes of the Western Cape RDP are important when considering those policy measures that are being undertaken to solve the current housing and community

development crisis within the Cape Metropolitan Area. The reason for this is that the RDP is concerned with rebuilding the black urban areas and providing for their development needs. In this way it is envisaged that economically and socially viable and progressive communities may be generated. This will allow the people living here to economically and socially uplift themselves and in so doing, improve their own living and community conditions. It is for this reason that this work now outlines the policies and approaches being adopted by the Western Cape RDP.

4.3.1 The Programmes of the Western Cape RDP.

In accordance with the National RDP, the policies, strategies and proposals of the Western Cape RDP are:

- a) Meeting basic needs.
- b) Developing human resources.
- c) Building the economy.
- d) Democratising the state and society.
- e) Implementing the National RDP (Western Cape 1994:1).

These programmes aim to uplift and improve the living conditions of the most marginalised communities within the province, most of whom are located within the black residential locations of the Cape Metropolitan area. According to the Western Cape RDP (1994:2), the success of these programmes depends upon sustained economic growth within the province and the participation of the general public in the implementation of these programmes.

Individual projects falling within these programmes are required to be assessed by the Provincial Administration's RDP committee and RDP technical committee. This assessment will ensure the correct prioritisation of these projects and the fact that they

fall within the overall objectives of the RDP. This includes all development projects being initiated within the Western Cape including those being carried out by:

- a) Government.
- b) Private enterprise.
- c) Parastatal institutions.
- d) NGO's.
- e) Community initiated projects.
- f) International donor agencies.
- g) National economic forum and other forum projects (Kriel 1994:8).

Supervision of these projects by the Western Cape RDP is intended to ensure efficiency and public participation in the development process.

Meeting Basic Needs.

The programme of meeting basic needs aims to address the poverty, unemployment and lack of basic facilities that characterise many of the communities in the Western Cape. It is primarily concerned with the poorest communities in this area, such as those located within the informal (shack) settlements. The following basic needs are addressed in this programme:

- a) housing and basic services,
- b) health care,
- c) nutrition,
- d) social services,
- e) safety and security,
- f) the provision of land and land reform,
- g) water and sanitation,
- h) energy and electrification,

- i) transportation,
- j) telecommunication,
- k) education and training,
- l) employment.

(Adapted from Western Cape 1994:5)

Employment is perceived to be generated through an extensive public works programme and the expansion of the domestic economy. Whilst housing is largely the domain of the National Housing Department, the RDP intends to contribute towards alleviating this problem through empowering people with the economic ability to improve and generate their own houses. Funding for specific housing projects is also expected to be derived from the RDP and the creation of affordable housing types that meet the needs and circumstances of particular communities is encouraged. The Western Cape RDP advocates the provision of housing loans that meet the income affordability levels of very poor communities. It also intends encouraging residents to pay their rental and service charges thereby alleviating the negative effects of the "culture of non-payment" on the development process (Western Cape 1994:8).

Adequate community health care is intended to be facilitated through the alleviation of poverty in the region through the provision of adequate basic services, housing, and job creation. The Western Cape RDP also intends addressing the problem by improving peoples access to health care facilities, increasing the number of such facilities within the region, and by allocating health care resources to those areas in need. In particular, resources will be directed to the black townships where at present relatively few health care centres exist (Western Cape 1994:8).

The projects incorporated within the programme of meeting basic needs are largely aimed at addressing these problems in the poorer areas and communities within the region. The overall aim therefore, is to not only alleviate poverty within this region, but

to also remove the inequalities apparent between the poorer black areas and the developed white areas.

Development of Human Resources.

The development of human resources programme is orientated toward the need to develop the capabilities, abilities, capacities and knowledge of people in those communities characterised by poverty. The aim of this programme is to furnish people with the ability to "realise their full potential in the society as a basis for, and a prerequisite to, the successful achievement of all other goals in the RDP" (Western Cape 1994:25).

This programme emphasises education and training. It is envisaged to address the problems of illiteracy and the lack of skills that have arisen out of the inequalities of the Apartheid era. The problems that will be dealt with by the RDP in this regard are the provision of schools in squatter areas, the acquisition of resources and finance to maintain these schools, and the need to address adult education (Western Cape 1994:25).

This programme therefore aims to equip formally disadvantaged people with the skills needed to attain higher paying jobs and the ability to improve their living conditions and economic well being. In addition to this, the programme is also intended to provide poorer communities with adequate sport and recreational facilities.

Building the Economy.

Central to the objectives of the National RDP as well as the Western Cape RDP is the concept of building the economy. Whilst the other programmes of the RDP aim to provide communities with that infrastructure and human resources, it is also of importance to ensure that these factors are provided within the context of a growing economy (Western Cape 1994:34). It is anticipated that as a result of increased

participation of these poorer communities in the economy, their living conditions and socio-economic opportunities will be improved. Increased economic growth will also limit unemployment and increase economic investment in the low-income areas (such as industry and commercial and retail outlets).

Democratising the State and Society.

The process of democratising the State and society is intended to increase community participation in the RDP, to ensure that they are adequately represented and that their development needs are recognised and addressed. In this regard, the implementation of effective democratic Local Government plays a key role in the RDP. At present this process is still being implemented but is revolutionary in the sense that for the first time in the history of the country, fully-democratic Local Government elections will be held in accordance with the promulgations made in the Local Government Transition Act (Western Cape 1994:43).

This programme also seeks to transform the role of Local Government and grant Local Authorities additional developmental responsibilities. The transformations that will take place at the level of Local Government are:

- a) Peripheral settlements will be included within the boundaries of many Local Authorities to ensure their effective management (including the delivery and maintenance of basic services) and representation.
- b) The re-organisation of existing Local Government boundaries and structures, as well as the creation of the new Cape Metropolitan Government (which will ensure that resources are redistributed to those areas in need).
- c) The integration of the separate budgets of Local Authorities to ensure that they all have sound financial bases (through the re-distribution of funds by the Cape Metropolitan Government).

- d) The transformation of the role of Local Government from that of administration and service provision to one in which cognisance is taken of the development needs of individual communities.
- e) The granting of financial assistance and powers to Local Authorities in order to enable them to cope with the development needs of communities and existing backlogs.

(Adapted from Western Cape 1994:43)

The above measures reveal that the overall aim of the RDP is to ensure that individual communities are adequately represented and that Local Authorities act in their interests and effectively meet their particular development needs.

4.4 CURRENT INITIATIVES AND CRITICISMS OF THE RDP.

Since its inception in 1994 the RDP as a whole has received much criticism from various institutions and communities throughout the country. In most cases, this criticism has been levied against the fact that in the last year the RDP has largely failed to meet many of the development needs apparent in the country and has been slow in its overall delivery performance. The aim of this section is to outline the nature of these criticisms. This section will also outline the principle initiatives that have been made by the RDP in order to afford a background against which the appropriateness of these initiatives may be evaluated using the information gained from the afore mentioned survey.

4.4.1 Current Initiatives in the Western Cape.

The RDP is a nation-wide programme for development and incorporates a wide range of initiatives that are being made in various communities and provinces within South Africa. For current purposes however, only those initiatives presently being undertaken in the Western Cape and particularly the Cape Metropolitan Area will be considered in this section. At the national level the initiatives being made by the RDP have taken the

form of Presidential Lead Projects. These projects or programmes were determined by the State President in May 1994 and were designed to launch the RDP within the first 100 days (South Africa 1994:15). Table 4.1 lists the Presidential Lead Projects being implemented in the Western Cape, the amount of funding required by each and the amount that has been allocated to date.

Within the Western Cape the initiatives being undertaken are:

- a) The serviced land project.
- b) The redevelopment of District Six.
- c) Various maintenance and infrastructural development projects.
- d) The clean-up campaign.
- e) Upgrading and repair of schools.
- f) The creation of multi-functional community centres (Myburg 1994: annexure E1).

These projects fall within the scope of the Presidential Lead projects that have been initiated and are not the result of initiatives being made directly by the Western Cape Provincial Administration or any other parties involved. The reason for this according to Myburg (1994:2) is the fact that, apart from the Serviced Land Project (SLP), no funds have yet been allocated to other initiatives being made. Consequently, at present most of the nation-wide RDP projects are Presidential Lead Projects.

The Serviced Land Project.

The Serviced Land Project (SLP) was initiated in 1991 by the Cape Provincial Administration (CPA) in conjunction with a number of other organisations. It was accepted by the RDP in 1993/94 as a Presidential Lead Project in the sphere of urban renewal. (CPA 1993: i). The SLP (now renamed 'Holistic Settlements') encompasses primarily the low-income black areas in the Cape Metropolitan Area and particularly those most undermined by Apartheid. These areas include the squatter (informal) housing

areas of Crossroads, KTC, Brown's Farm and Millers Camp. The SLP is also concerned with those black families presently residing in the backyards and hostels of the formal townships such as Langa, Nyanga and Guguletu.

Due to the poor living conditions in these locations the SLP is concerned primarily with *assisting* the people living here to upgrade and improve their housing and community standards. It is expected that this project will assist over 35000 families in these various locations (SLP 1994:2). The basic aim of the SLP is to address the current housing backlog through the provision of serviced sites to low-income families in need of housing. In addition, families will be granted ownership rights over a particular site. These sites comprise a stable concrete base slab with access to basic services such as running water, sewerage removal, and electricity. Individual families will then be required to construct the 'top structure' (the actual dwelling upon the serviced concrete slab provided) in accordance with their particular needs, resources (including financial) and capabilities.

The SLP is also concerned with the provision of community facilities such as schools and health centres and is orientated about the principal of community participation and the development of skills in this process. In a bid to increase job opportunities and alleviate the problem of unemployment, the SLP also attempts to generate economic development within these locations (SLP 1994:2).

More specifically, the aims of the SLP are to provide underdeveloped communities with access to:

- a) Serviced residential sites over which people have secure tenure. These are located in townships with roads and storm water drainage.
- b) Serviced sites for public use such as, local authorities, education, commercial, health and recreation.
- c) Electricity for public and private consumption.
- d) Telecommunications and postal services.

- e) Education and health centres.
- f) Land servicing skills and jobs.
- g) Skills required in the construction of houses, contractor training, materials, guidance and finance.
- h) Business skills, guidance and finance.
- i) Environmental skills.
- j) Community development and organising skills.
- k) Safety and security (SLP 1994:8).

These factors demonstrate the holistic nature of the SLP. It is thus a project aimed not only at providing these areas with the infrastructure they need but to also assist individuals to improve their own living and community conditions. This is achieved through the education and training imparted to the local community during the development of these areas.

According to the CPA (CPA 1993:2), the SLP incorporates four principle techniques in this development process. Of these techniques, two are applicable to upgrade situations in which individual families and communities are assisted in upgrading their present dwellings and community conditions. The other two techniques involve a process in which new residential areas are created upon vacant land. This technique is known as 'greenfields.' The four techniques are:

Upgrade: a) roll-over,
b) in-situ.

Greenfields: a) site and service,
b) managed land settlement.

In terms of upgrading, the 'roll-over' technique involves the provision of another dwelling upon a nearby site in close proximity to the existing housing unit. Overtime this

technique is intended to transform the existing residential area into an ordered settlement in which other services may be provided and future development carried out.

'In-situ' upgrading refers to the upgrading of individual dwelling units themselves (notably shack dwellings). In both cases the term 'upgrading' refers to the provision of basic services and the construction of a more a permanent housing structure in accordance with Municipal standards. Both of these techniques are applicable to the upgrading of legal informal (shack) housing areas.(CPA 1993:14). In both cases the SLP intends to not only improve the type of accommodation in these areas but to also develop these areas in terms of Municipal infrastructure and community facilities.

With regard to greenfields, the term 'site and service' refers to the provision of a serviced site (concrete base slab) upon which families may construct their own form of housing. 'Managed land settlement' refers to a process in which people are permitted to occupy vacant land and construct their own dwellings but only in accordance with a management plan for the area. This plan is intended to facilitate the ordered habitation and development of the area. In this way urban sprawl can be controlled and the new area developed in such a way as to be conducive to the provision of basic services, roads, drainage and future community development (CPA 1993:5).

As a Presidential Lead Project the SLP is currently being funded by the RDP fund although other sources of funding are presently being made available. According to Myburg (1994 Annexure E1), the SLP has estimated that it will need 99 million rand in 1994/95 in order to implement its development strategy. However, only 6.2 million rand has been allocated to the SLP during this period. Consequently the SLP is being inhibited in its efforts by a lack of finance.

According to the SLP business plan (SLP 1994:15) the total cost of implementing the SLP (until completion in March 1999) will be 1.182 billion rand. Of this amount, R591 million is expected to be financed departmentally and from other sources, R203 million

has already been committed and R591 million is expected to be derived from the RDP fund. The budget of the SLP is given in appendix D which also indicates the expected rate of delivery.

Other Programmes being Initiated by the Western Cape RDP.

Other programmes being initiated by the Western Cape RDP include the maintenance and infrastructure programme and the clean up programme. Both of these fall within the bounds of the municipal services programme. These programmes are designed to improve the urban environments in the low-income black residential areas and provide the necessary infrastructure for the servicing of these areas. In addition there is also the upgrading and repair of schools programme and the multi-functional community centres programme. This programme is aimed at the provision of community centres such as police stations and crèches in those areas presently lacking these facilities (Myburg 1994: Annexure E1). The following table illustrates the proposed and actual RDP fund allocations that have been made towards these programmes.

Table 4.1
Presidential Lead Projects in the Western Cape.

Project	Funds Requested 1994/95 R million	Funds Allocated 1994/95 R million
Serviced Land Project	99	6.2
District Six	20	#
Maintenance and Infrastructure	276	32.3
Clean-up Campaign	18.5	No allocation as yet
Upgrading of Schools	64.8	*
Community Centres	12	*
Total	490.3	

(Source: Myburg 1994: Annexure E1)

financed by external loans or grants

* from line function department budget

It is apparent that most of these projects have not as yet been funded or are presently under financed. This problem seems to be recurrent in the RDP and according to Myburg (1994:1), a survey undertaken by the CPA in 1994 of the urban development needs of the Western Cape region estimated that over 4 billion rand is needed in the period 1994/95 for this purpose. Clearly this figure far exceeds the total RDP allocation for the country as a whole which stood at 2.5 billion rand for the same period.

4.4.2 The Present Status of the RDP.

At this point in time (August 1995) the RDP has been in operation for a little over 12 months. Consequently it is too early at this stage to accurately assess the degree to which the RDP has had an impact upon the development needs of the various underdeveloped communities within the Western Cape and within the country as a whole. Various institutions and communities have however levied criticisms against the RDP. To a large degree these criticisms may be seen to be rooted in what is essentially a 'crisis of expectations.' This is a result of the fact that the RDP has to an extent so far, "failed to match the politicians extravagant promises" (Financial Mail, April 1995:24). The aim of this section is to outline the present status of the RDP and to examine the progress that has been made so far.

It is important to note in response to the above mentioned criticism, the Minister without Portfolio (1994:5) has stated that the RDP has been constrained in three primary ways, those being:

- a) That the process by which Government procedures change in order to accommodate the requirements of the RDP take time and that attitudes in Government have to change.
- b) That the civil service, charged with the responsibility of implementing the RDP at 'grass roots level' has still to be reoriented in its approach to the development needs of communities and that training is first necessary for the RDP to be successfully implemented.

- c) That the bulk of the 1994/95 RDP budget has already been committed and that additional funds will have to be made available (in the 1995/96 financial year) in order to finance the numerous development project proposals that are being put forward to the RDP (Minister without Portfolio 1994:5).

Consequently, although the RDP has not resulted in the delivery of 50 000 low-income houses, a substantial reduction in the unemployment rate and free schooling in the past 12 months as was its intention, the constraints above suggest that implementing the RDP will take time and that it is being hampered by a lack of adequate finance and “red tape” (Financial Mail, April 1995: 24). It is therefore difficult to evaluate critically the RDP at this stage. This is compounded by the fact that the RDP White Paper provides little insight into how the RDP will *actually* be implemented and how it will perform. An adequate evaluation cannot therefore be made on this basis.

Given the fact that many of the development proposals of the RDP have been made world-wide with regard to community development and are recognised as being ‘sound’ policies in this regard, it is therefore possible to argue that the RDP does, in its present form, represent a positive step forward in meeting the development requirements of the underdeveloped communities within the country.

This argument is strengthened by the fact that the overall approach of the RDP encompasses the notion that ‘a home is not simply a house.’ Although one of the aims of the RDP (and particularly the DOH) is to provide adequate shelter to low-income households lacking this basic requirement, it is also recognised that this should not be the sole aim of this programme. Instead, it is acknowledged by the RDP that the notion of community development also encompasses the provision of the infrastructure and public facilities needed for the creation of viable, sustainable and socio-economically

progressive communities. For this reason the RDP is widely acknowledged as being an appropriate mechanism through which the socio-economic development of low-income communities may be facilitated and their living conditions improved despite the problems that it is currently facing.

4.5 THE NATIONAL HOUSING POLICY

At the core of the new Government's attempt to address the current housing backlog lies the Department of Housing (DOH). This Department has been charged with the task of formulating and implementing an effective National housing policy. Housing provision is not however an isolated activity. It is a process taking place within the broader context of both urban and rural development. As such, the policies of the DOH and those of the RDP are interlinked and dependant upon the co-operation of these two organisations for their effective implementation. Housing policy thus falls within the bounds set by the principles and objectives of the RDP and compliments the RDP's overall approach towards reconstruction and development (DOH 1994:21).

The aim of this section is to outline the nature of the DOH's current housing policy. As such, the way in which this policy intends solving the current black low-income housing crisis and providing individual households with the ability to satisfy their own housing needs will be examined. This will provide the basis upon which the appropriateness and potential effectiveness of this policy will be evaluated critically later in this work.

It must be noted that the scope of this work is constrained by the fact that at present (August 1995) no definitive housing policy exists. This is attributed to the fact that consensus upon the manner in which housing policy will be implemented at the level of Provincial and Local Government has not as yet been reached within Government. Information pertaining to this policy as it will be implemented on the National Level does however exist. This section will consequently be confined to an assessment of the National housing policy.

4.5.1 The Aims of the National Housing Policy.

According to the Department of Housing (DOH 1994:18), the primary objective of the new Government in relation to housing is the “establishment of viable, socially and economically integrated communities, situated in areas allowing convenient access to economic opportunities as well as health, educational and social facilities” (DOH 1994:18). Whilst the RDP is expected to play a fundamental role in achieving this objective, it is the role of the DOH and its housing policy to ensure that within these communities people have access to:

- a) A permanent residential structure over which secure tenure is held and which at the same time offers privacy and adequate protection against the elements.
- b) Basic services including, potable water, sanitation, water-borne sewerage and electricity (DOH 1994:18).

Within the context of this study, the residential structures described above will be referred to as ‘formal houses.’ It is important to note that current housing policy is almost exclusively directed towards the provision of low cost housing in the low-income black residential areas of the country. It is not concerned with the provision of housing in the more affluent (former white) areas.

In a general sense, the primary aim of the National Housing Policy is to facilitate the construction of as many low cost houses in as short a time span as possible. Furthermore, this accommodation must be affordable to the beneficiaries of this programme. In order to meet this objective, the intention of housing policy is to develop a partnership between the State, the private sector and those communities in need of formal housing (The Argus, 20 May, 1994). This partnership is the cornerstone of the current housing policy and the principal means through which it is anticipated the housing crisis will be alleviated. It is envisaged by the State that the task of solving the current housing crisis is not the sole responsibility of Government but of all stakeholders in the country and particularly those households concerned. The current housing policy is therefore essentially a ‘bottom-up’ approach to housing delivery. This signifies a movement away

from the 'top down' approach which characterised the provision of low cost housing in the past. Emphasis is placed upon households using their own financial resources and expertise to satisfy their housing needs. An in depth analysis of this approach will be carried out in the next section.

The aims of this policy reflect the 'bottom-up' approach which has been adopted. These aims are to:

- a) provide all low-income households with the financial resources needed to initiate the process of obtaining formal accommodation or upgrading their present dwellings to this standard. This will be achieved through the financial assistance available to households through the capital subsidy scheme;
- b) encourage private sector financial institutions to provide households with the additional financial resources they may need to procure this form of accommodation;
- c) ensure that individual households and communities are able to obtain formal housing in an affordable manner and in accordance with their own particular housing needs and financial resources;
- d) provide households with access to as many housing options as possible;
- e) enable households to obtain secure tenure over their dwellings and access to as many different forms of tenure arrangements as possible, be they individually or collectively orientated;
- f) facilitate community participation in the housing delivery process and the socio-economic empowerment of individuals by ensuring that skills and training are imparted during this process;
- g) maximise the economic and social benefits of housing to those communities involved;
- h) ensure that short term housing delivery is maximised in order to effectively alleviate the housing backlog in as short a time span as possible while ensuring the sustainability of this approach in the medium and long term (DOH 1994: 60).

As indicated, a principal characteristic of housing policy is that households themselves play an active role in providing their own formal housing. To this end, the role of the State is to provide households with the 'means' to satisfy their housing needs. Housing policy does not intend providing 'finished' State housing and households are expected to bear a large proportion of the costs involved. This has been described as being a 'self-help' or 'State assisted' approach towards housing delivery. It has been the subject of much debate within Government and the subject of much criticism. The nature of these criticisms and this debate will be outlined later in this study.

In real terms, the Government intends to increase housing's share in the total National Budget to 5 per cent and construct 1 million houses on a sustainable basis over the next five years, at a peak rate of 350 000 units per annum (DOH 1994:18). According to the former Minister of Housing the late Mr. Joe Slovo, the housing backlog at the time when the new Government took control was estimated to be 1.5 million low-income houses. The expected annual increase in this backlog is 198 000 houses per annum. To counteract this problem, 1500 houses will have to be constructed each day over the next 5 years (Cape Times, 16 May, 1994).

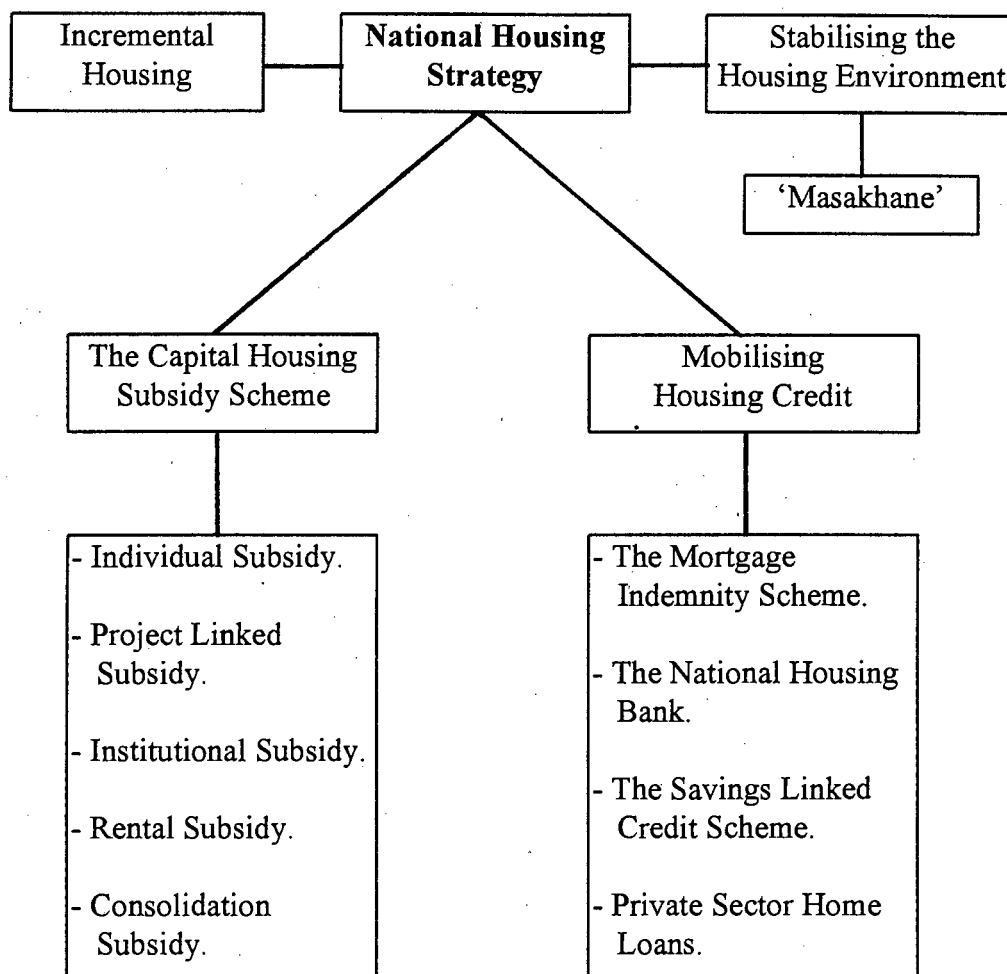
The DOH is empowered to fulfil these objectives and to implement other initiatives related to housing in terms of the provisions made in the 1966 Housing Act and the 1993 Housing Arrangements Act. The measures contained within the 1966 Housing Act have however resulted in private sector involvement in the provision of low-income housing being limited. Instead the financing, administration and development of housing was placed within the control of the State (DOH 1994:20). According to the DOH (1994:20) however, it is envisaged that future legislative changes, as well as the approach that has been adopted by current housing policy, will amend this situation and facilitate increased private sector involvement and greater community participation in the process of low-income housing provision.

4.5.2 The National Housing Strategy.

The current housing and community development crisis is characterised by the inter-play of a number of related factors which together have contributed to the complexity of this problem. These include its historical origins, the socio-economic status of blacks, the low monthly incomes these households receive and the high levels of degradation and poverty in the black residential areas. In formulating a National housing policy, the DOH has attempted to take into account these factors and to devise a strategy capable of meeting the specific housing requirements and affordability levels of the various low-income communities located within the country. Figure 4.3 illustrates the principal components of the National housing strategy.

Of particular importance is the fact that approximately 40 percent of low-income black households earn less than R800 per month and live within various degrees of relative socio-economic poverty (DOH 1994:23). This is one of the primary constraints facing the current housing policy. The reason for this, as mentioned earlier, is that households are expected to bear a large proportion of the costs associated with obtaining formal housing. Without adequate incomes, many households may therefore be unable to do so. Of equal importance is the fact that the DOH does not possess the financial resources with which to embark upon the mass provision of State housing. The DOH has had to therefore formulate a policy capable of providing housing that is affordable both in terms of its own budget and that of those households concerned. These constraints have played an influential role in determining the approach of this policy. The principle task of Government was therefore to devise a strategy in which housing for the very poor could effectively be provided without negatively impacting upon the living standards of this population group and resulting in increased levels of poverty.

Figure 4.3
Principal Components of the National Housing Strategy.



In general, the overall housing strategy encompasses a process in which the resources of the private sector, local communities and State are expected to be harnessed in an effort to alleviate the current housing backlog and to provide low cost housing on a sustainable basis. It is envisaged that in this way the rate of housing provision will satisfy the demand stemming from the natural growth of the population (The Argus, 20 May, 1994). More specifically, given certain budgetary constraints and the socio-economic characteristics of the communities and households involved, current housing strategy has been primarily orientated towards *incremental* housing provision.

The decision to adopt this policy by the new Minister of Housing, Sankie Mthembu-Nkondo has been made recently (in the last quarter of 1995) following protracted debate. Consequently (August 1995), no details as to the precise nature of this policy are presently available. The overall frame work in which this policy is to be implemented, as established by former Minister of Housing the late Mr. Joe Slovo, is however well documented and shall be outlined in this chapter. A number of problems ranging from reluctance on the part of private financial institutions to lend money to low-income groups to a lack of co-ordination between Local Authorities and other role players involved have constrained the implementation of this policy (New Nation, October 6, 1995). These problems will be discussed in greater detail later in this study.

In short, the policy of incremental housing involves a process in which individual households are provided with a once-off housing subsidy by the State. Using this financial assistance, households may either upgrade their present dwellings to the standard of formal accommodation or partially finance the construction of a new formal house. In this regard the subsidy assistance available to households may be used in two principal ways.

Firstly, to upgrade an existing dwelling through the provision of basic services or by improving the actual structure of the dwelling.

Secondly, to obtain a serviced site. This site consists of a base concrete slab over which households have secure tenure and access to basic services. Upon this site households

may construct a temporary informal dwelling (shack). Over time they are expected to 'incrementally' upgrade these dwellings to the standard of formal housing in accordance with the availability of their own financial resources and expertise. It is anticipated by the State that most households will select this option.

This policy is primarily directed towards households currently living in informal 'squatter' settlements. The subsidy assistance available is expected to act as a catalyst for housing delivery, providing households with the financial resources needed to initiate the process of obtaining a formal housing. It is not intended to cover the full cost of procuring this type of accommodation and is insufficient with which to either buy or build a formal house. As indicated, households are expected to use their own financial resources or those borrowed from private sector financial institutions to upgrade their dwellings to this standard. The policy therefore depends upon the ability of households to afford the costs associated with upgrading and their willingness to do so. In addition, the effectiveness of this policy also depends upon active community participation along with Local Government providing services to these sites and maintaining the level of services.

Given the low monthly incomes received by the majority of households (and especially those which fall into the very low-income bracket earning less than R1500 per month), the policy contains a number of measures designed to enable households to gain the skills and materials needed to construct their own houses. Measures have also been incorporated to increase the availability of private sector financial assistance to low-income households.

Unlike the approach used in the existing 'site and service' schemes that have been initiated throughout the country, the policy of incremental housing is designed to offer people State assistance in the construction of their own dwellings. As such this policy is oriented about the notion of 'State assisted self help.' This assistance is rendered in the

form of seven key strategies which have been adopted by the new Government. These constitute the framework in which this policy is presently being implemented and pertain to the following broad areas:

- a) Stabilising the housing environment.
- b) Supporting the housing process.
- c) Mobilising housing credit. ✓
- d) Providing subsidy assistance. ✓
- e) Hostels initiatives. ✓
- f) Institutional arrangements. ✓
- g) Land affairs. ✓
- h) Co-ordinating development (DOH 1994:23).

While in terms of this policy households are expected to use their own resources to obtain formal housing, it is anticipated that these strategies will facilitate and support households in this endeavour. The following section provides a more detailed account of these strategies.

It is important to note that housing policy also makes provision for households wanting to buy or build a formal house. While the policy of incremental housing is designed to enable households earning very low incomes (less than R1500 per month) to obtain formal housing in the long term through upgrading (using their own resources), some households may possess the financial ability to procure this accommodation in the short term. As such, these households may use the subsidy assistance available to them in conjunction with private sector financial assistance to buy or build a formal house.

Stabilising the Housing Environment.

As mentioned, the policy of incremental housing is depends upon the willingness of private financial institutions to provide financial assistance (either through home loans or through bonds) to low-income groups. This finance will provide households the additional capital needed to construct adequate housing. In addition, private sector

investment in these low-income urban areas (in the form of industry and commercial centres) is a pre-requisite for the economic development and re-incorporation of these areas back into the overall functioning of the city (DOH 1994:23).

However, the general instability associated with these low-income urban areas has culminated in a situation in which most private sector enterprises are unwilling to invest or to make credit available to households residing here. This may be attributed primarily to the high levels of violence and criminal activity and, in particular, the "culture of non-payment" for goods and services within these communities.

Thus a contradictory situation has evolved *viz.* private sector involvement in the development of these areas will only occur if these areas are stable, while this stability can only be achieved if living standards in these areas are raised through such investment (DOH 1994:23). This poses as a problem to policy makers and to the implementation of housing policy in general.

State involvement in stabilising low-income urban areas has therefore become a *sine qua non* and is reflected in two ways:

- a) *Firstly*, the new Government has launched a political campaign ("masakhane") aimed at encouraging people to pay for goods and services received (namely municipal charges and taxes, rents and private sector loans and bond instalments). To further stimulate this process, the State has also embarked upon a co-ordinated multi-functional public investment and management campaign in areas where the public sector administration has collapsed. The efforts being made by the RDP to develop these areas in terms of services and infrastructure are also working towards this end,
- b) *Secondly*, the new Government has begun a process in which private sector investment is being encouraged in those areas that have been stabilised (DOH 1994:23).

In order to co-ordinate and implement the former campaign an inter-departmental committee was established in October 1994. This committee has been charged with the task of accelerating the delivery of basic services to these low-income areas and with reversing the existing "culture of non-payment." It is envisaged that these measures will create conditions conducive to increased public sector involvement in these areas in the form of investment in services, housing, and economic development (DOH 1994:23).

Mobilising Housing Credit.

Central to the new Government's housing policy is that individual households have access to private sector credit facilities. As indicated the policy of incremental housing is largely dependant upon households using their own financial resources to upgrade their dwellings and construct formal housing. Most households may however lack the financial resources required due to the low monthly incomes they earn. The availability of private sector financial credit is therefore essential to this process.

Two problems in this regard however exist and have shaped the State's current policy towards making credit available to low-income earners. These problems are as follows:

- a) Due to the "culture of non-payment" and the high risks and costs associated with lending to low-income earners, most private financial institutions have so far been reluctant to provide credit (DOH 1994:24),
- b) Most households (especially those earning less than R800 per month) do not earn sufficient income to be able to afford the repayments and interest associated with home loans. In addition many households do not earn enough income to qualify for loans and there is concern that the incidence and degree of poverty in the low-income areas be exacerbated if households are forced to divert a portion of their monthly income towards servicing such loans (Mr. John Rushforth of the Shelter Unit at CCC).

These problems have not only constrained the effectiveness and appropriateness of this policy, but have also forced the State to adopt measures designed to counter act these limitations.

In order to encourage private financial institutions to lend to low-income households the *Mortgage Indemnity Scheme* (MIS) was established. This scheme was initiated by Former Minister of Housing, the late Mr. Joe Slovo in the first quarter of 1994. The purpose of the MIS is to provide State indemnity against loans made by private financial institutions to low-income earners for the purpose of home construction (DOH 1994:25). In the event of non-repayment the State will, through the MIS, compensate the relevant institution concerned for any financial losses incurred.

In terms of the MIS lenders will be compensated in one of three ways:

- a) Lenders may be reimbursed the lesser of R100 000.
- b) The properties involved may be purchased by the State from the lender at a fair market price, the value of which will be determined according to the locality, nature, and condition of the property.
- c) Lenders may be reimbursed their exposure on the loan. (DOH 1994: 80).

Hence, the MIS is envisaged to act as an incentive to banks and other financial institutions to forego the risks involved and lend to low-income earners (Business Day, 17 May, 1994). However, despite this measure many financial institutions are still reluctant to issue housing loans, especially to very low-income earners (earning less than R800 per month). The reason for this is that it is with households falling within this income category that institutions face the greatest risk of non-payment. The implications of this will be discussed later in this study.

In circumstances in which households have managed to obtain housing credit and thereafter fail to meet the necessary repayments, provisions have been made by the State for the institutions concerned to operationalise foreclosure proceedings and to repossess

any dwellings which may have been constructed using this finance. In this case financial institutions will be able to recover any financial losses incurred through the MIS, only in the event that they are unable to find another buyer for repossessed property or suitable tenants. If this is not possible the MIS will indemnify institutions for a maximum of 3 years (Business day, 17 May, 1994).

It is envisaged that the MIS will fall away once the housing environment in these low-income areas has been stabilised and lending risks are reduced to the level that they exist in other areas of the city. The MIS is therefore regarded as being a short term measure. To fund the MIS, banks are required pay a premium on their bond finance portfolios to this scheme. In effect, funds are therefore derived in the form of small contributions from each property owner in the country possessing a home bond (The Argus - City Late, May 19, 1994). Consequently, to a degree this scheme represents a form of income redistribution. Income from the more affluent sectors of the population is transferred to the MIS to cover those losses incurred by banks lending to low-income earners. In return, it is envisaged that the Government will make these contributions to the MIS tax deductible.

To provide a longer term solution to the problem of housing credit, the State has embarked upon a programme to implement a *savings linked credit scheme*. This scheme is aimed at mobilising personal savings for the purpose of obtaining additional finance for the provision of housing. It has arisen out of the fact that approximately 65 percent of South Africa's population do not possess savings (DOH 1994:25).

Through this scheme, households lacking the finance needed for the deposit on a home loan (5 percent of the total loan), will be permitted to redirect a portion of their monthly income to a savings scheme. After a period of time, the total amount saved will be construed as being sufficient deposit to access a loan. More specifically, a demonstrated capacity to save over a period of 9 months is required (DOH 1994: 78). This does not however guarantee that the applicant will be granted the loan. Applicants will thereafter

be screened and the provision of credit remains at the discretion of the financial institution concerned. Applicants failing to demonstrate an ability to effectively save over a period of 9 months but who possess an established credit record, may also be granted a loan. In this case, loans will however only be granted if the minimum deposit of 5 percent can be paid. Furthermore, bond and transfer costs must be paid in cash (DOH 1994:78).

It is envisaged that the scheme will also generate 'better' relationships between borrowers and lenders and facilitate the release of additional finance to low-income households in the future (DOH 1994:25). In short, this scheme has been designed to benefit low-income households by making access to home loans easier than under normal market conditions. The amount of deposit required under normal market conditions for example is approximately 10 percent of the total borrowed. The fact that low-income households are required to pay this deposit and demonstrate an ability to save is an indication of the States' attitude that housing is not to be gained at no cost to those households concerned.

The National Housing Subsidy.

The national housing subsidy scheme, introduced by former Minister of Housing the late Mr. Joe Slovo in early 1994, is one of the principal components of the current housing policy. This scheme was motivated by the fact that most low-income households do not possess the financial resources needed to initiate the process of obtaining formal housing or upgrading their dwellings. Furthermore these households cannot afford to construct houses that conform to accepted Municipal standards and the expectations of the State (DOH 1994:26). In addition, the sense of urgency surrounding the need to alleviate the current housing backlog has necessitated the provision financial assistance to those households most affected by this crisis in a bid to alleviate this problem as soon as possible. The State is also compelled to 'live up to' its pre-election promises and satisfy the expectations with regard to housing that have arisen from these promises.

In response, the new Government introduced the housing subsidy scheme as part of its housing policy. The capital subsidy scheme has replaced all other subsidy schemes available and is intended to provide each low-income household with sufficient income to attain a fully serviced site within a designated residential area. More specifically, according to the Department of Local Government and National Housing (DNH 1994: 5), the subsidy is designed to enable households to obtain a residential property with secure tenure:

- a) “at a price he or she can afford,
- b) of a standard that satisfies the minimum health and safety requirements from time to time applied by relevant authorities,
- c) and from as many housing delivery options as possible” (DNH 1994: 5).

The housing subsidy is only available to low-income households whose combined monthly income does not exceed R3500 per month. Within this group, four sub-categories are defined on the basis of total monthly income and the degree of subsidy assistance available, altered accordingly. It is important to note that the capital subsidy is a ‘once-off’ grant and is not expected to be repaid. Table 4.2 illustrates the amount of subsidy assistance available to the various income groups who qualify.

Table 4.2
Subsidy Assistance Available to Households falling within Different Income Categories.

Joint Monthly Income (R)	Subsidy (R)
0 - 800	15000
801 -1500	12500
1501 - 2500	9500
2501 - 3500	5000

Source: DOH 1994:26

Whilst the amount of financial assistance available through the subsidy scheme is in each instance fixed, it may be adjusted by an increase of up to 15 per cent to compensate for the higher building costs associated with the particular physical characteristics of certain

locations. In the Cape Metropolitan Area for example, the level of subsidy assistance has been raised in order to compensate for the higher building costs resulting from the soils which are sandy and saturated because of the high water table (Servcon 1995:4).

Individuals who in the past received subsidy assistance through other schemes, such as the Independent Development Trust's (IDT) capital subsidy scheme and the First Time Home Buyer Scheme, are not eligible for this capital subsidy. However, due to the fact that past schemes did not provide financial assistance to the degree offered by this scheme, provisions have been made to provide individuals with the additional amount needed to ensure that all persons within the same income category receive an equal amount of subsidy assistance (DAG 1994:3). This additional amount is known as a consolidation subsidy, the amounts of which are reflected in the following table:

Table 4.3
The Consolidation Subsidy.

Total Monthly Income (R)	Consolidation Subsidy (R)
0 - 800	7500
801 - 1500	5000
+1500	0

Source: Servcon 1995:4

The financial assistance available through the capital subsidy scheme may be used by households for a number of purposes relating to housing and the improvement of their dwellings. This finance may be used to:

- a) help pay for a serviced site upon which a starter house may be built and upgraded overtime;
- b) upgrade shack dwellings or any inadequately serviced forms of accommodation settlements through the provision of basic services;
- c) cover a portion of the costs associated with buying an existing formal house;

- d) initiate the construction of a new formal house (although additional funds would have to be obtained from a financial institution in order to cover these costs);
- e) upgrade and extend existing formal houses (DAG 1994:3).

It is anticipated that the subsidy will be adapted to suit the needs of households wishing to rent formal accommodation, although details pertaining to this measure have not as yet been finalised. The subsidy may only be used to purchase or build houses costing less than R65 000. More specifically, households earning less than R2500 per month, are restricted to obtaining houses costing less than R42 000, while households earning less than R1500 rand per month, may only use the subsidy to acquire houses costing less than R26 500. This measure was introduced to prevent households from obtaining housing loans that they cannot afford to effectively repay (DAG 1994:2)

Funding for the subsidy scheme is derived from the DOH's budget allocation. This amount was R2.92 billion for the 1995 financial year and represents an 80 percent increase above last years allocation (Northern Argus, 17 May 1995). In addition, a National Housing Bank (NHB) has been established in partnership with various private financial institutions. This will perform the function of administering the subsidy fund and any other finances that are made available for this purpose through foreign grants and private and NGO donations.

Types of Housing Subsidy Available.

Within the overall subsidy scheme, five types of subsidy arrangement exist. These include:

- a) Ownership or individual subsidies.
- b) Collective or project liked subsidies.
- c) Social or institutional subsidies.
- d) Rental subsidies.
- e) Consolidation subsidies (DOH 1994:26).

The rental and consolidation subsidies have already been outlined. The aim of this subsection is to outline the remaining subsidies in order to demonstrate the means through which they are anticipated to provide low-income households with access to formal housing.

Ownership or Individual Subsidies

These subsidies are designed to assist individual households wanting to obtain secure tenure over a particular residential property. The financial assistance available may be accessed on approved projects or individually (DOH 1994:26). According to the Development Action Group (DAG 1994: 4), 13 per cent of the total funding available to the capital subsidy scheme has been allocated to subsidies of this nature. In order to obtain this subsidy assistance households are required to identify a house that they wish to purchase. Several options are available to households using this subsidy:

- a) To use the subsidy to aid in the purchase of a 'free-standing' completed house.
- b) To use the subsidy to cover a portion of the cost of building a house of their own choice. In this case the household will have to identify and purchase a piece of land upon which to build and hire the services of an agent (such as a qualified builder) who will construct the house.
- c) To use the subsidy to partially cover the cost of buying an existing house that is part of a housing project. In this case, the house will be purchased from the relevant developer or financial institution responsible for the project.
- d) To use the subsidy to assist in the purchase of a house belonging to a future housing development project. In these circumstances the household will buy the house 'off plan' and will negotiate the financial arrangements involved in the sale with the relevant developer (Servcon 1995: 2).

These options are intended to facilitate individual ownership of property. The subsidy is not however intended to cover the full costs associated with buying or building a formal house. Hence, in most cases households will require additional financial assistance in the

form of home loans or bonds. This is particularly apparent with regard to those households earning less than R1500 per month. Before applying for a housing subsidy to be used for this purpose, households are firstly required obtain the additional financial assistance they may need. Thereafter, households may apply for the subsidy through their Local Authority or Provincial Administration which will submit the application to the relevant Provincial Housing Board (Servcon 1995: 2). Households are thus restricted in their ability to obtain this type of subsidy by the fact that they must firstly obtain a home loan. Failure to do so is likely to result in the subsidy application not being approved. Furthermore, households are restricted in terms of the cost of the property they wish to acquire, by the costing restrictions placed upon them in accordance with their monthly income.

It is important to note that in all cases the subsidy grant will not be paid directly to the individual household concerned, but to the relevant estate agent, Local Authority, builder or housing developer involved. This is to prevent households from using this capital for purposes other than housing. Private builders or developers contracted to the National Home Builder's Registration Council (NHBRC) are bound by the provisions contained in the Builders Warranty Scheme. This scheme was established to protect households against poor workmanship in the construction of dwellings and to ensure that houses constructed meet Local Authority requirements and standards (Servcon 1995: 3).

Collective or Project Linked Subsidies

These are aimed at assisting a group of households within a community who collectively want to construct a number of houses with the assistance of a developer. The developer may be a private company, the relevant Local Authority or another public sector developing agency such as the RDP. In this case, the developer will submit one application to the Provincial Housing Board to obtain the subsidies available to all the households involved in the project. Households are then required to acquire housing loans from a financial institution to cover the remaining construction costs involved in

the project. Alternatively, households may collectively apply for a loan to fund the project. This form of housing provision is favoured by the State. This is reflected by the fact that 70 percent of the total amount of funding available to the capital subsidy scheme has been allocated to housing projects utilising this scheme (DAG 1994: 4).

Household consensus over the type of housing to be constructed is imperative (DNH 1994: 12). Developers are unwilling to construct a number of houses each possessing different characteristics. Hence, unlike the accommodation households may procure using the individual subsidy scheme, households utilising this scheme are not guaranteed of obtaining accommodation that meets their specific requirements. Houses built through this scheme are homogenous and uniform in design. It will be shown later that this may lead to a number of problems.

Institutional Subsidies.

The institutional subsidy scheme is similar to the collective or project-linked subsidy outlined above insofar that this type of subsidy also entails collaboration between a number of households and the joint utilisation of individual subsidies to access affordable housing. Within this scheme two types of institutional subsidy exist:

- a) the co-operative subsidy,
- b) the social housing subsidy (Servcon 1994: 5).

The *co-operative subsidy* may be obtained by a group of households who form a co-operative with the optional assistance of the Provincial Administration. Thereafter, the co-operative will apply for the subsidies owing to the households involved as well as private sector financial assistance. This funding will be used to construct housing using a developer or the skills of those involved. Housing constructed is owned by the co-operative until such time it is decided that individual units may be sold to the co-operatives members (Servcon 1994: 5).

In the *social housing subsidy*, the subsidies allocated to a number of households are combined and entrusted to an organisation such as a Church or private company. This organisation will then construct individual houses using these funds and if necessary a developer. Housing constructed through this scheme is rented to those households involved at rates lower than charged by private landlords. Households are able to use this housing on the *proviso* that they continue to pay the monthly rental. The option of purchasing the house in which they live is also provided. On leaving the scheme households may re-apply for the capital subsidy in order to attain housing elsewhere providing they do not own the co-operative house previously occupied (Servcon 1994: 5).

While the subsidies mentioned above will provide households with the initial financial resources needed to obtain formal accommodation, it is evident that in most cases additional funds will be required. As indicated, it is anticipated that these additional funds will be derived from the private sector in the form of home loans and bonds. The propensity of households to obtain formal accommodation through these measures therefore depends largely upon the availability of private sector financial assistance and the ability of households to afford the costs associated with this type of funding (monthly home loan repayments and the deposit required). It is however envisaged by the State that some households may not be able to qualify for private sector financial assistance as they cannot afford the costs involved or have poor records or re-payment. These households will not be able to obtain housing through the subsidy schemes already outlined.

It is in this context that the policy of incremental housing becomes applicable. As already mentioned, while the housing subsidy available to low-income households can be used to purchase or construct a formal house (with the additional financial support offered by private sector home loans), this subsidy may also be used to purchase a serviced site upon which to “incrementally” construct a formal house or upgrade an informal (shack) dwelling over time. This not only reflects the flexibility inherent in this policy but also

illustrates the fact that the State recognises the inability of some households to afford the costs associated with buying or building a formal house. By extension however, it also demonstrates the fact that the State has been unable to devise a policy through which *all* low-income households can obtain a formal house. This is one of the principal criticisms of the current housing policy and will be expounded upon later in this work.

It is also evident that housing will not be attained by low-income earners at no cost and this has been emphasised by the State. Despite the fact that black low-income earners have been historically disadvantaged in terms of housing and their socio-economic status, households will have to bare a large portion of the costs associated with obtaining formal housing. Furthermore, households are also required to cover the costs of maintaining this property and the various rates and taxes that are charged to home owners by Local Authorities.

Conclusion.

It is evident that the new Governments' housing subsidy scheme represents an effort to provide low-income households with the ability to purchase or construct their own formal accommodation. It also represents a movement away from the approach used by the previous Government in which formal housing was provided by the State in accordance with 'perceived' need and on occasion, as a means of urban influx control. The new policy can be considered to be 'enlightened' in so far as it recognises the fact that insufficient State funds presently exist with which to embark upon a programme of mass formal housing provision as a means of solving the current low-income housing backlog. In this instance housing could have only been provided to small proportion of those in need. The subsidy scheme aims to provide each household with a measure of financial assistance towards possessing secure shelter. To a large degree, the responsibility of solving the housing crisis is therefore placed in the hands of those

households most affected. This approach is can therefore be described as being a State assisted “bottom-up” approach towards solving the housing crisis and stands in contrast to the ‘top-down’ approach adopted by the previous Government.

This is also reflected in the way that the notion of community participation is an essential tenet of the housing policy. While the task of providing adequate housing largely falls upon those households concerned, the State has attempted to generate the conditions in which this is possible. The establishment of measures designed to provide households with the necessary skills and resources needed for home construction bears testimony to this. In addition, efforts have also been made to encourage private sector involvement in the process of housing delivery through the provision of credit facilities to low-income households and the establishment of low cost housing projects

This ‘bottom-up’ approach to housing delivery also enables individual to construct or purchase houses meet their particular requirements and financial capabilities. This stands in contrast to the State housing delivery approach used in the past which concentrated upon the provision of uniform houses in designated areas and paid little or no heed to the specific needs of individual households. The current housing policy is thus more flexible in this regard and gives households the freedom to obtain the type of accommodation they desire. In this context, the principal factor limiting households in their ability to satisfy their particular housing needs is the amount of income they receive. The implications of this as well as other problems that may be associated with the current housing policy will be discussed later in this study.

4.5.3 Governmental Structures Involved in Implementing Current Housing Policy.

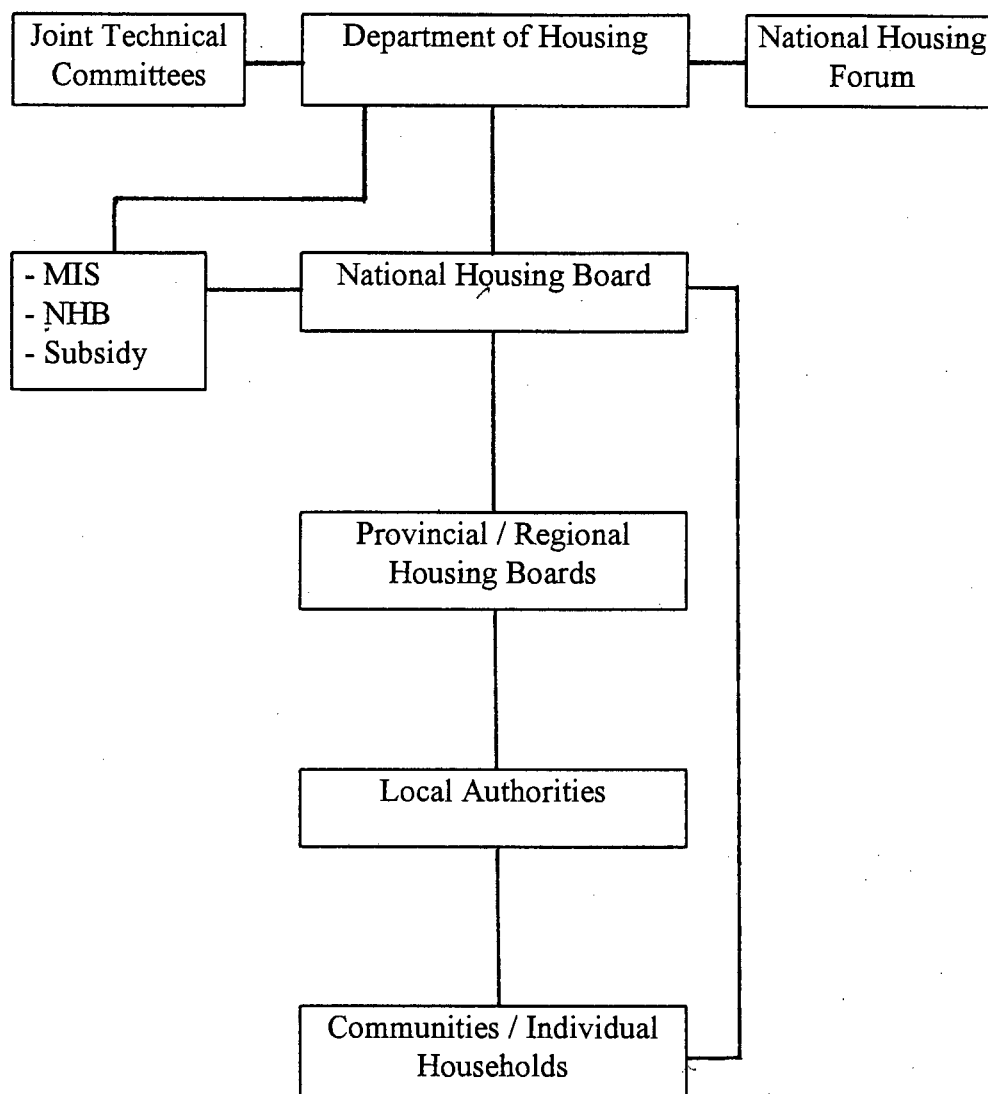
Since the inception of the Government of National Unity in April 1994, a considerable degree of restructuring has occurred with regard to the structures involved in the housing delivery process. The aim of this section is to provide an overview of these structures and to outline the functions of each. This will shed light upon the manner in which the current housing policy is being implemented by the State. Figure 4.4 illustrates the primary structures and institutions that have been created at all levels of Government in order to implement this policy.

National housing policy was formulated during 1994 by the Department of Housing (DOH) in collaboration with the National Housing Forum (NHF). To assist in this process, nine Joint Technical Committees (JTC) were also established and charged with the task of addressing a series of agreed policy priorities. Concurrently, Section 2 of the Housing Arrangements Act (Number 155 of 1994) made provisions for the establishment of the National Housing Board (NHB) which replaced the former National Housing Commission and the South African Housing Advisory Council (DNH 1994: 4). The National Housing Board also replaced the Development and Housing boards of the three Own Affairs administrations.

Policy proposals concerning the new housing policy generated by the DOH in conjunction with the JTC's and NHF were submitted to the NHB as well as to representatives of the nine provinces during 1994. These proposals were reviewed and the opinions of each province incorporated into these discussions. The outcome of this process, was the formulation of a basic housing policy and strategy. The principal components of this strategy are illustrated in the above diagram (the MIS, National Housing Bank and capital subsidy scheme).

Figure 4.4

Governmental Institutions Involved in the Process of Housing Delivery.



Source: DNH 1994: 4

The National Housing Board.

The primary function of the NHB is to co-ordinate the implementation of the housing policy subject to the directions of the Minister of Housing (DNH 1994: 4). More specifically, the NHB is responsible for allocating funds to the various Regional Housing Boards (RHB) in accordance with the housing needs of each province and subsidy applications submitted to these boards (RHB's) during each financial year.

The NHB also conducts inquiries into matters relating to housing. In the past year this has occurred with regard to a number of issues, such as, the problem of land invasions by squatters and the failure of the Delft housing project in 1994 (DOH 1994: 50).

The Regional Housing Boards.

Of particular importance in the organisational structure is the role played by the Regional or Provincial Housing Boards. While members from each of the nine RHB's sit upon the NHB, the primary task of the Regional Housing boards is to ensure the effective implementation of housing policy at the provincial level. Incorporated within this task are a number of subsidiary functions, namely:

- a) The provision of subsidy finance to individual households and other end users.
- b) The restructuring of public sector finances and resources so as to ensure that housing remains a priority issue and that adequate resources are directed towards this end.
- c) The generation of sufficient institutional capacity to implement the housing policy.
- d) To ensure that the social and physical development of low-income communities remains viable and sustainable through a process of community capacity building in the housing delivery process (DOH 1994: 65)

In addition, the RHB's have a number of broader functions which are listed below. These functions also serve as criteria against which their performance and that of the current housing policy can be measured. The functions of the RHB's are to:

- a) Ensure that the housing needs of disadvantaged communities and households are provided for and satisfied in an holistic manner.
- b) Increase the existing housing stock through the provisions made in the housing policy and ensure that existing informal settlements are upgraded, rehabilitated and consolidated.
- c) Facilitate the stabilisation of the housing environment in low-income communities through measures designed to decrease the levels of violence and minimise the potential for conflict over resources.
- d) Ensure that low-income communities are able to participate fully in the planning and implementation of social and physical development projects as well as in the provision of formal housing and upgrading of their own dwellings.
- e) Facilitate the creation of community-based implementing structures and organisations, and to ensure that these bodies are incorporated within the planning and execution of local development and housing projects.
- f) Ensure that the social and economic benefits of these local development and housing projects are maximised and contained within the community concerned.
- g) Encourage the reversal of the existing 'culture of non-payment' and to ensure that households and communities pay for public services they receive.
- h) Encourage private sector involvement in the housing delivery process and the availability of housing credit to low-income households. In addition, the RHB's have also been charged with the task of ensuring that local communities are able to fully participate in low cost housing projects initiated by the private sector and that the housing available through these projects is accessible to these communities (DOH 1994: 65).

Of particular importance, the RHB's are responsible for receiving the applications made by individual households for the housing subsidy and for directing these funds to the relevant end user (private developer or Local Authority) should the application be approved. In this context, the RHB' are required to ensure that households are able to fully participate in the provision of formal housing and that their specific accommodation needs are catered for within their given financial limitations (DOH 1994: 65).

It is evident, that within each province, the RHB's are largely responsible for the implementation of the current housing policy. They have been assigned this responsibility for the reason that, unlike the NHB, RHB's are more aware of the particular housing needs within each province and the needs, capabilities and limitations of the low-income communities living in these areas. The RHB's are therefore more capable of ensuring that the housing policy is effectively implemented at the 'grass roots' level and that viable, self-sustaining communities in which households are able to satisfy their housing needs, are established.

The Role of Local Government.

While the previous sub-section has outlined the functions of the RHB's within the context of implementing the national housing strategy, it may also be added that they have been tasked with ensuring that Local Government plays a supportive role in this process (DOH 1994: 65). Local Authorities are particularly important in this regard as not only do they represent the housing and development needs of the communities within areas of jurisdiction, but are also responsible for ensuring that these communities have access to basic services and that these services are adequately maintained (Craythorne 1993: 252).

Local Authorities are expected to play an active role in the development and management of both new and existing black low-income residential areas. In this regard, their functions are as follows:

- a) To construct and maintain the infrastructure needed to provide basic services to low-income households. This infrastructure includes waste water treatment plants, electrical networks, drainage and water pipelines, street lighting, roads and refuse collection and disposal facilities. In addition, sufficient infrastructure must be provided to accommodate future growth and demand (Craythorne 1993: 252).
- b) To ensure that houses constructed conform to accepted Municipal standards and regulations.
- c) To levy rates and taxes upon households and ensure that these charges are regularly paid. This is particularly important as these charges provide Local Authorities with the necessary funding to provide and maintain basic services.
- d) To maintain the community environment and those public facilities provided such as schools, halls, recreational centres, clinics and libraries.

Local Government therefore plays an important role in both implementing the housing policy and in ensuring the sustainability of the products thereof (DOH 1994: 65). For this reason the State has embarked upon a programme to provide effective Local Government to all communities within the country. The Local Government elections to be held in early 1996 are a reflection of this.

4.5.4 The National Housing Budget.

According to the Department of Housing (1994: 47), the current backlog of formal housing in the country is estimated to be 1.5 million units. This backlog is expected to increase at a rate of 198 000 units per year as new households are formed. To solve this problem it is anticipated that 370 000 housing units will have to be constructed annually over the next 10 years (3.7 million housing units in total).

In financial terms, it has been estimated that the cost of providing housing subsidies to low-income households over this period will amount to R31.6 billion DOH (1994: 47). Eighty six percent of low-income households in the country will require this form of financial assistance. In addition, funds will also have to be made available for existing contractual costs over this period, such as those associated with the upgrading of services, the development of rural areas, bridging finance and the provision of bulk service providing infrastructure. It is estimated that these costs will amount to R16.2 billion. Consequently, over the next 10 years it is estimated that the housing programme will cost a total of R47.7 billion (DOH 1994: 47). In order to provide this funding, the DOH has stated that 5 percent of the total National budget will have to be allocated to housing. This amounts to R3 billion each year (Cape Times, March 7, 1995).

Table 4.4 illustrates the housing budget for the 1994/95 financial year and the total amount of funds that have been allocated to the DOH for the purpose of implementing the current housing policy.

Table 4.4
1994/95 Budget of the Department of Housing.

Addition to capital of the National Housing Fund	R 1 294 583 000
Phasing out of past State-assisted subsidy/finance programmes	213 576 000
Purchase of land	115 000 000
Carry over funds from 1993/94	609 885 419
Total	R 2 233 044 419

Source: DOH 1994: 44

It is apparent that a total of approximately R2.2 billion was made available for housing and housing related programmes during the 1994/95 financial year. Table 4.5 illustrates the distribution of this funding between the 9 provinces within the country. These funds will be used to implement the current housing policy in these areas and provide households with the subsidy assistance they are eligible for.

Table 4.5
Funding Allocations made to Provinces during 1994/95.

Province	Allocation (R)
Gauteng	464 095 083
KwaZulu/Natal	491 130 239
Northern Cape	68 536 652
Northern Transvaal	210 162 225
North West	146 149 071
Eastern Cape	286 666 130
Eastern Transvaal	150 136 562
Free State	133 134 248
Western Cape	283 034 209
Total	2 233 044 419

Source: DOH 1994: 46

With regard to the Western Cape, according to Mr. Gerald Morkel (Housing Minister for the Western Cape), the housing backlog in this region is approximately 200 000 units. In order to solve this problem, R660 million is required each year over the next five years to provide capital subsidies to low-income households and to finance other matters pertaining to low cost housing (Cape Times, 13 April, 1995). In this instance, it is apparent that the budget allocation made to the Western Cape for 1994/95 was only half of the amount needed. Consequently, according to Morkel, without additional funding, it is doubtful if the current housing policy can be effectively implemented here and the housing needs of low-income households satisfied (The Argus - City Late, 27 May, 1994).

The amount of funding allocated to each province from the National housing budget is determined by the following criteria:

- The number of low-income households in each province in need of subsidy assistance.
- The number and proportion of low-income households falling within the four income categories used by the housing subsidy scheme.
- The total population within each province.

- d) The urbanisation rate.
- e) The rate of economic growth.
- f) The size of the low-income housing backlog in each province (Cape Times, 13 July, 1994).

Using these criteria the DOH is able to determine the number of low-income households within each province that require subsidy assistance and the level of subsidy assistance that is required by each household. Upon this basis, the DOH will then allocate each province a proportion of the total housing budget. However, as indicated it is apparent that some provinces are not being allocated sufficient funding to satisfy their housing needs (the Western Cape being one example). This may be attributed to the fact that insufficient funds exist with which to do so. The implications of this will be made apparent later in this study.

Project Evaluation Criteria.

Observed earlier, low-income households may use the financial assistance available to them through the capital housing scheme in a number of ways to obtain formal accommodation. One such option is to participate in a mass low cost housing project. These housing projects may occur in a number of ways, namely:

- a) Private developers or Local Authorities may construct a number of low cost formal houses on a particular piece of land. Thereafter, low-income households can purchase these housing units using the subsidy assistance available and private sector financial assistance.
- b) Private developers or Local Authorities may construct a number of serviced sites which can be purchased by households either unable to obtain a private home loan or who prefer to acquire formal housing upon an incremental basis.
- c) Communities may hire the services of a private developer to construct a number of formal houses or serviced sites according to their desired specifications.

- d) Communities may form a co-operative and embark upon a mass housing development project themselves using the subsidy assistance available in conjunction with private sector finance.

According to the DOH (1994:65), these housing projects must however conform to a number of specifications. These specifications represent the criteria used by the RHB's to evaluate these projects before developers are permitted to initiate construction and before households are able to obtain subsidy assistance. These criteria ensure that all housing projects conform with the overall policies contained within current housing strategy and that they act in the interests of the communities involved. The criteria used are as follows:

- a) Housing projects should attempt to assist households in satisfying their particular housing needs.
- b) They must be economically viable and possess sufficient financial 'backing' to ensure their completion. This is to prevent any unexpected costs arising which may result in the accommodation provided being unaffordable to the households concerned (such as high maintenance costs).
- c) Training and skills must be imparted to households during the planning and construction phases of the project and they must provide ongoing support for local small scale enterprises and co-operatives. In this way the development and growth of small scale local enterprises will be facilitated by the project.
- d) Community participation and decision making in terms of the planning and execution of such projects must be apparent.
- e) Projects must maximise the utilisation of public sector funds along with private sector finance and the savings of those households concerned (although within the income limitations of these households).
- f) Access to the accommodation provided should be maximised and free from racial, political or religious bias.
- g) Projects should attempt to maximise employment creation.

- h) The levels of service provision to housing provided must conform to accepted Municipal standards and be affordable to low-income households.
- i) Any costs incurred by the relevant Local Authority through the provision of bulk service providing infrastructure should be borne by the Local Authority and not recovered through the sale of 'stands' to households. Hence Local Authorities are not permitted to draw from the subsidies allocated to each household to recover these costs.
- j) Private developers must offer continued support and training to households in the medium term.
- k) Private developers must also be encouraged to ensure the cost effectiveness of projects and that costs reflect normal market prices. In addition, emphasis must be placed on supporting local industries and initiatives on the basis of affirmative action.
- l) Projects of this nature should also attempt to address the deficiencies inherent in the spatial ordering of urban areas through the provision of housing in locations within close proximity to places of employment, health, educational and social facilities (DOH 1994: 67).

Housing projects satisfying these criteria will be approved by the NHB and RHB concerned and granted funding in the form of the subsidy allocations available to the households involved. In this way, the State is able to not only ensure that these projects conform to these specifications, but that they also serve to fulfil the objectives of the current housing policy.

4.5.5 The Housing Debate.

Since the inception of the new Government of National Unity in April 1994, the issue of low-income housing provision has been the subject of much debate between various governmental and non-governmental organisations involved in this process. In a general sense, this debate is a product of the difficulties involved in attempting to formulate a policy capable of effectively satisfying the accommodation needs of very low-income communities and enabling the State to 'live up to' its pre-election promise of providing formal housing for all (at a rate of 1 million houses in the next 5 years). Much of the debate has concerned the practical limitations and difficulties associated with the process of housing delivery. The aim of this section is to outline the nature of this debate. This will provide the necessary background towards understanding the approach adopted by the State in the current housing policy and the measures contained within.

As indicated, the current housing policy encompasses the notion of incremental housing. In terms of this approach, low-income households are expected to incrementally upgrade their dwellings to the standard of formal housing in accordance with availability of their resources (notable income). While the financial assistance offered through the capital subsidy scheme is intended to cover a portion of the costs involved in this process, households are required to bear a large part of this expense. This approach was adopted by the State for the reason that insufficient funds exist to embark upon the mass provision of State housing. In light of this constraint, the rationale behind this policy was to provide as many low-income households as possible with the financial assistance needed to *initiate* the acquisition of a formal house, as opposed to providing a *limited number* of households with State housing.

This policy approach was not however the initial intention of the new Government. The decision to adopt this approach has been criticised by various Governmental officials over the past 18 months. As a result a debate has developed within Government regarding the overall aim of housing policy and, in particular, the type of houses that

should be provided through this policy. In essence, this debate has turned upon whether the State should address the current housing backlog through the provision of completed formal houses or through the policy of incremental housing. The main proponents of these conflicting philosophical approaches were the current Premier of Gauteng, Mr. Tokyo Sexwale and the former Minister of Housing, the late Mr. Joe Slovo respectively.

It must be noted that throughout this period, which began shortly before the ANC gained political power in April 1994, the issue of housing provision has been highly politicised. In short, the housing crisis was capitalised upon by various political parties before the April 1994 elections, most notably by the ANC which stated that if it were to gain power one million houses would be provided to low-income households in the next five years. In addition, it was stated that housing provision would entail the construction of serviced, formal brick houses and that the previous Government's policy of providing through site and service schemes would be abolished. Of importance is the fact that these pre-election 'promises' had the effect of raising the expectations of those households most affected by the housing crisis; in the urban areas, most notably those people currently living within the overcrowded formal black townships as backyard shack dwellers and in the peripheral squatter settlements.

In response to these pre-election promises, Slovo was charged by the new Government with the task of formulating a policy capable of meeting these expectations and through which the housing crisis could be alleviated within as short a time span as possible. However, due to the financial constraints that existed, the policy adopted by Slovo did not conform to the pre-election notion of the form in which housing provision would eventually take place. Instead, the policy adopted by Slovo was that of incremental housing provision.

As already mentioned, this policy was (and is) directed towards the creation of a State funded housing subsidy scheme and the conditions in which increased private sector involvement in the process of low-income housing delivery would be encouraged. The

main components of this scheme were the MIS, the National Housing Bank and the capital subsidy programme itself. Furthermore, it was envisaged that households would bear a large proportion of the costs associated with obtaining formal housing and that the nature of this accommodation would be similar to the low cost formal houses found in most black townships. In general, these houses comprise two bedrooms and have a floor area of 46.5 square metres (Argus 15 July, 1994).

This approach was criticised by Sexwale who in response announced that "people deserved to live in proper low cost houses" (Argus Business Day, 20 May, 1994), and that his Government (Gauteng) did not support a housing policy which provided "serviced informal settlements in the name of housing" (Argus Business Day, 20 May, 1994). Furthermore, he stated in mid-1994 that his Government proposed to build 150 000 formal houses in 12 months at a cost of 30 000 rand per unit (Cape Times 8 July, 1994). The total cost of this project was estimated to be approximately 4.5 billion rand which was almost twice the size of the total budget that had been allocated to the country for housing in the same period. It was envisaged that this cost would be covered by the Life Officers Association of South Africa and that for every 150 000 houses built the project would require only R750 million from the State. This would be used as an initial deposit on the construction. Furthermore, it was anticipated that low-income households would be able to purchase these houses using loans provided by a PWV Regional Community Bank that would be established. The mortgage repayments upon these houses were expected to be in the order of R200 per month (Cape Times 8 July, 1994).

With regard to the standard of housing that would be constructed under this scheme, Sexwale indicated that they would match the standards of houses located in the more affluent residential areas of Johannesburg and that "the standard is housing....the standard is Sandton Sun, Lost city....air conditioning" (Cape Times 29 June 1994). In addition, it was envisaged that this project would provide 900 000 new job opportunities and would be premised upon community participation with R175 million being allocated to various training programmes (Cape Times 8 July, 1994).

It is evident the approach adopted by Sexwale differed considerably to that outlined by Slovo. A debate consequently developed between proponents of these conflicting views as to whether housing policy should aim to provide completed formal houses or ultimately the same form of housing upon an incremental basis using limited household resources and over a longer period of time. The approach proposed by Sexwale was criticised by Slovo largely on the grounds that the State funding needed to finance the mass provision of houses to such a high standard did not exist. The Democratic Party (DP) supported Slovo's claim that funding for this type of project on a nation-wide basis was not available, neither was the institutional capacity required to implement such a policy. It was also pointed out by the DP that the macro economic context had to be considered and that by allocating funding to such a policy, balance-of-payments problems could be expected. Moreover, funds for other projects aimed at reconstruction and development would have been limited to the detriment of these programmes as a consequence (Argus City Late, 24 May 1994).

Many financial institutions also expressed doubt about the feasibility of this policy, arguing that due to the lack of available finance and building skills, only poor quality houses could have been constructed if complete formal houses were to be provided to the entire population in need of accommodation. They were unwilling to finance houses of this standard (Cape Times 23 May 1994). According to the director of the BMI Building Research Unit, Mr. Lewellyn Lewis, the building industry at this time was capable of only building 60-70 thousand low cost houses of the envisaged standard and could not therefore meet the requirements and objectives of such a policy (Cape Times 23 May 1994).

As a result of these criticisms and particularly the lack of available State funds, the proposal to provide mass high standard State housing was not adopted and the rationale of housing policy remained that of incremental housing. This debate is useful when considering the current housing policy as it not only does highlights the evolution of this policy, but also provides an insight into the reasons why the State is unable to solve the

housing crisis by providing mass State housing on the scale required. Hence, despite the fact that the new Government is under pressure to live up to its pre-election housing promises, neither the financial resources, institutional capacity, or private sector support for a policy of providing complete low cost formal houses exists.

It may be argued that overall the policy of incremental housing provision is more flexible and conducive to solving the housing needs of very poor households within low-income communities than the policy proposed by Sexwale. The reason for this is that while this policy does not necessarily guarantee that households will receive a formal house, it does allow households to upgrade their dwellings in accordance with their own resources and accommodation needs. In this way it is envisaged that low-income households will be able to obtain that type of accommodation they desire in an affordable manner.

Against this, the policy proposed by Sexwale necessarily implies that households accept the houses that are built *for* them and that they pay the required mortgage repayments associated with these houses. In light of the fact that most low-income earn less than R800 per month, many would in all likelihood have been unable to afford the mortgage repayments involved (approximately R200). A number of criticisms have however been directed against the policy of incremental housing and will be discussed later in this study.

4.5.6 Conclusion.

In conclusion, the current housing policy represents an effort to solve the low cost housing crisis by *assisting* as many low-income households as possible to improve their living conditions and obtain formal accommodation. The assistance offered is apparent in two principal ways.

Firstly, in the financial assistance available to low-income households through the capital subsidy scheme. As indicated, this scheme is designed to provide households with the financial resources needed to initiate the acquisition of a formal house or to partially

upgrade their dwellings by obtaining a serviced site. With regard to the latter, it is anticipated by the State that this is the principal means through which households falling within the very low-income bracket (earning less than R1500 per month) will be able to procure formal accommodation. These households constitute the majority of low-income black households presently living in the Cape Metropolitan Area.

Secondly, through the efforts being made to generate a 'climate' conducive to households taking an active role in the provision of their own formal housing. This is apparent in the attempts being made to stimulate private sector lending (through the MIS) and to encourage community participation in the process of housing delivery.

It is envisaged by the State that these measures will provide households, constrained in terms of their financial resources and expertise, with the ability to satisfy their housing needs and provide their own formal accommodation.

A central tenet of this policy is that individual households assume responsibility for the provision of formal housing. To a large degree households are expected to use their own resources and to bear most of the costs involved. This may be attributed to the fact that despite the expectations being made of the State, insufficient funds exist to finance the mass provision of formal State housing. The form in which housing policy has been set is thus a product of the financial limitations facing both the State and the low-income households concerned. Consequently, the principal constraint facing the DOH was to devise a housing policy capable of effectively solving the low cost housing crisis given the limited means that exist to do so.

In terms of this study, this above analysis has provided the necessary background for the critical assessment of current housing policy which follows. Before proceeding it is however necessary to firstly outline the results of the afore mentioned survey that was carried out in the low-income black communities located in the Cape Metropolitan Area. These results are presented in the following chapter and provide detailed insight into the

housing needs and relevant characteristics of the low-income households most affected by the current backlog of formal accommodation. Using this information in conjunction with that contained within this chapter, a critical assessment of the appropriateness of the current housing policy as a means towards solving this problem will be carried out.

CHAPTER FIVE

Low-Income Household Survey Results.

5.1 INTRODUCTION.

So far, details pertaining to the historical origins of the current low-income housing and community development crisis, its magnitude and the policies that have been directed towards alleviating this crisis have been outlined. As indicated, this crisis pertains to the shortage of adequate formal housing in both the formal and informal black residential areas in most South African cities and towns. According to the Department of Housing (DOH 1994: 14), the present shortage of formal housing was estimated to be 1.5 million units during 1995. It is being compounded by the fact that 200 000 new households in need of adequate accommodation are being formed annually and the rate of formal housing provision has decreased in recent years. To solve this problem as well as keep up with the annual demand for housing, it was estimated by the former Minister of Housing, the late Mr. Joe Slovo, that 3.7 million low cost housing units would have to be constructed in the next 10 years (Cape Times 22 June, 1994). The current shortage of housing is also evident in the fact that 39 per cent of households in the country presently live in informal 'squatter' settlements. The majority of these households are black.(DOH 1994: 14).

In addition, a large proportion of households (almost all of whom are black) in the country also lack access to adequate basic services. According to the DOH (1994: 12), 24 per cent of households do not have access to piped water, 48 per cent lack access to water-borne sewerage and 46 per cent do not have electricity. It is important to note that while these statistics refer to the country as a whole, that they refer largely to the black population, many of whom live in the urban areas (66 per cent of the total South African population is 'functionally urbanised'). Most of the black urban residential areas are also underdeveloped in terms of public amenities and facilities (roads, street lighting,

drainage, schools, hospitals and recreational centres), economic investment (retail outlets, industry and other commercial activities) and lack adequate Municipal representation. These poor living conditions are compounded by the fact that most of the households living in these areas are poor and lack the means to socially and economically uplift themselves and improve their living standards.

As indicated, the intention of this work is to evaluate critically the appropriateness of the States' current housing policies as effective responses to this crisis with reference to the *actual* housing needs and socio-economic characteristics of the low-income households and communities involved. The Cape Metropolitan Area has been selected as a study region and hence particular reference will be made to the low-income housing needs and community characteristics in this area. In the introduction it was mentioned that this objective would be achieved using household information gained from a household survey that was carried out in the black low-income areas of Cape Town in early 1995.

The aim of this chapter is to present the results of this survey. It is anticipated that this will provide the reader with an insight into the needs and constraints facing these communities in terms of housing. It is important to note at the outset that this chapter will not attempt to discuss the implications of these research findings. The succeeding chapter will be directed towards this purpose by presenting a critical evaluation of current housing policy and responses using the information analysed in this chapter in conjunction with that contained in the preceding chapter which details the nature and approach of this policy. In this way the policy implications of the information derived from this survey will be made apparent.

The approach used will be to firstly outline the nature of the low-income household survey that was carried out. This will shed light upon the basic premise underlying this research and the methodology and approach that was used to obtain the following results. It is envisaged that this will also demonstrate the credibility of these results and observations. Thereafter, an attempt systematically to analyse the results of this survey as

they relate to the objectives of this work will be made. Consequently, it is important to note that while the questionnaire survey generated a substantial amount of information concerning a wide variety of different attributes of the communities involved, only that information relevant to the stated objectives of this project will be utilised. The household and community information that will be analysed in this chapter pertain to the following broad issues:

- a) Household mobility and migration patterns.
- b) The long term residential preferences of these households.
- c) Levels of community integration.
- d) Housing and service needs and community conditions.
- e) Housing preferences and demand.
- f) Housing affordability levels and income characteristics.

5.1.1 Survey Characteristics, Aims and Methodology.

The survey used in this work was carried out in early 1995 under the directorship of Dr. Robert Mazur of Iowa State University and was funded by the Western Cape Community Based Housing Trust (WCCHT). It was administered by a professional market research company, 'Research Surveys Limited' based in Cape Town.

The basic premise underlying this research (and indeed that also underlying this work) was that current policies and strategies aimed at alleviating the present housing crisis in the Western Cape, as well as in the country as a whole, may be rendered more effective and appropriate if they are based not only upon active community participation in the development process, but also on an understanding of the actual housing needs, community conditions, economic circumstances, perceptions and commitments of the low-income communities and households contained within this region (Mazur *et al* 1995: 1). Given the fact that insufficient representative information pertaining to these

characteristics exists (Mazur *et al* 1995: 1), it was the intention of this survey to obtain such knowledge in the hope that it **may be used by analysts and policy makers** in order to formulate more appropriate policies and housing strategies in this regard.

Research Objectives.

The specific objectives of this research were as follows:

- a) to identify the present and diverse migration patterns of low-income black persons within, to and beyond the Cape Metropolitan Area;
- b) to describe the demographic characteristics, migration patterns, current living conditions, housing needs, service needs, other development requirements, socio-economic status, investment plans, access to resources and social integration of the black households contained within the Cape Metropolitan Area;
- c) to examine the inter-relationships that exist between these factors;
- d) to suggest policy implications of these findings.

Sampling Framework and Procedures.

Central to the methodology used in this study was the development of an appropriate survey instrument. A survey questionnaire was drawn up (Appendix E) and contained various closed and open ended questions pertaining to a number of issues, namely:

- a) The composition of low-income black households.
- b) How people have come to be living where they are presently located.
- c) The income earning activities of households.
- d) The reasons behind each households present living conditions as well as their degree of satisfaction with these conditions.
- e) Any planned improvements that households may make to their present dwellings, and factors that may be inhibiting such improvements.
- f) The reasons underlying any inclination or plans on the part of these households to relocate.

- g) The current state of the community environment in which households live as well as their levels of satisfaction with this environment and needs in this regard.
- h) The social linkages and visiting patterns of households.

The questionnaire was not only orientated about the derivation of quantifiable data but was also directed towards soliciting the actual needs and perceptions of households as they pertain to their present housing and community conditions. On completion, the questionnaire was tested in a series of pilot studies and revised thereafter in order to eradicate any problems that may have limited its effectiveness as a credible survey instrument.

It was agreed in late January 1995 that the area to be included in the sample survey was that stretching from North of Milnerton, to Kraaifontein, to Khayelitsha and was to include the southern peninsula areas of Simon's Town and Hout Bay. The sampled populations were those in:

1. The black formal housing areas such as Khayelitsha, Langa, Nyanga, Guguletu, and Crossroads including backyard shacks.
2. The various site and service areas in the Metropolitan area.
3. The informal 'shack' settlements contained within this area.

Appendix F provides a list of the black residential areas in which the survey was carried out (sample locations) and the actual number of interviews conducted in the various housing types in these locations. Blacks living in more racially integrated residential areas and in Somerset West and Strand were not included in the survey due to budgetary constraints. Overall there were 51 sample locations with 195 sample clusters.

A reference population was established in order to derive a representative sample population of 800 households. The reference population refers to the actual number of blacks presently living in the Cape Metropolitan Area, in the various sampling locations and in the housing types found in these locations (formal houses, hostels, backyard

shacks and free-standing 'squatter' shacks). In the absence of any universally accepted local population estimates the reference population was determined using information gained from a number of credible sources, such as the Development Bank of Southern Africa, the Cape Metropolitan Council, CCC and a number of private institutions such as Umzamo. These population estimates are contained in appendix G. The italicised numbers are those included in the population base of the sampling framework (reference population).

It is hoped that future censuses and research initiatives will be able to provide accurate population estimates for the black residential areas and eliminate the conflicting estimates that exist. Table 5.1 shows the reference population that was used. It is important to note that these population estimates pertain only to the individuals living in the sample locations and not the entire Metropolitan Population.

Using this reference population, a proportional sample was identified for each of the housing types taking into account both core and peripheral areas. The terms 'core' and 'periphery' used in this table refer to the type of area in which the survey was carried out (see appendix F). The locations classified as being 'core' areas were Khayelitsha, Mfuleni, Guguletu, Langa, Nyanga, Phillipi and Crossroads for the reason that most of the black urban population in Cape Town presently resides in these areas. All other locations in which this survey was conducted were classified as being 'peripheral.'

The proportional sample is shown in the second section of table 5.1. In the absence of any definitive information, it was assumed that household size was constant across all locations sampled and that it was 4 persons per household. The discrepancies apparent between the proportional sample and the designed sample are due to the fact that it was deemed necessary to obtain a larger sample in the peripheral 'squatter' locations. The reason for this was that these areas contain relatively smaller black populations and because it was anticipated that these areas may reflect the most recent patterns of mobility both within and into the Cape Metropolitan Area. The sample plan was

therefore modified and designed to disproportionately capture these trends. To 'counteract' the effects of this deliberate disproportionate sampling method, the actual sample was weighted during the analysis of the data to ensure that the results obtained were an accurate aggregate description of the characteristics of black low-income households. Details pertaining to the weights used will be outlined later.

Table 5.1

Table Illustrating the Reference, Actual, Proportional and Weighted Sample Populations used in Project Migration 1995.

Study (Reference) Population					
	Squatter Shacks	Hostels	Backyard Shacks	Formal Houses	Total
Core Areas	281850	61000	152600	291814	787264
Periphery	49370	-	-	-	49370
Total	331220	61000	152600	291814	836634
Proportional Sample					
Core Areas	270	58	146	279	753
Periphery	47	-	-	-	47
Total	317	58	146	279	800
Designed Sample					
Core Areas	240	70	115	225	650
Periphery	150	-	-	-	150
Total	390	70	115	225	800
Actual Sample					
Core Areas	289	85	15	268	657
Periphery	150	-	-	-	150
Total	439	85	15	268	807
Weighted Sample					
Core Areas	273	59	28	399	759
Periphery	48	-	-	-	48
Total	321	59	28	399	807

Source: Mazur 1995: 10

It is also apparent in table 5.1 that the actual sample differed to the designed sample. Fewer backyard shacks and a greater proportion of formal houses were interviewed than was the intention. The reason for this was that there were fewer individual households living in backyard shacks in the core areas than expected. While most households living in formal houses have added rooms to the core house in the form of backyard shacks (97 per cent of those in Guguletu and 84 per cent in Nyanga and New Crossroads for example), few of these structures were rented out to tenants or used by other households. In most cases they were used by the occupants of the formal house in whose property they were located as an extension of their basic living space. This accounts for the higher proportion of formal houses and lower number of backyard shacks that were interviewed despite sampling methods designed to include all dwellings (both backyard shacks and formal houses) using systematic sampling.

The sampling procedures used in the survey were designed to reflect the distribution of the black low-income population in the Cape Metropolitan Area and to assure random selection. The interviewers followed these sampling procedures. At each starting point, interviews were conducted at every tenth dwelling unit in order to minimise any potential bias associated with the process of cluster sampling. Interviewers were requested to proceed in a linear line from the starting point and to identify and map each dwelling they passed. As indicated there were 195 starting points with on average four interviews conducted in relation to each. Of these, 104 were located with informal settlements (390 interviews), 73 in formal housing areas including backyard shacks (340 interviews) and 18 in hostels (70 interviews). It was anticipated that the wide dispersion of these sampling points would ensure an inclusive and representative sample of 800 households.

Interviewers were trained for two days on the techniques associated with conducting the survey in an attempt to reduce the possibility of households misinterpreting the questions asked and mistakes being made. There were 22 interviewers. All were fluent in Xhosa and other black languages and the interviews were carried out in the home language of the person being interviewed. The interviews were conducted over a period of three and a

half weeks in March 1995 and were monitored throughout this period. The preferred respondent was the female household head. In the absence of a female household head, the male household head was interviewed. The term 'household head' in this instance refers to the primary income earner and decision maker of the household and was usually the senior male or female*. On completion, each survey questionnaire was edited, coded and the results computerised. This process was closely scrutinised and monitored in order to ensure maximum quality of the data base. Thereafter, the analysis of this database was carried out in order to derive the results given in this chapter using a computer based statistical package (Statistical Package for the Social Sciences - SPSS).

Weighting Procedure.

As indicated, to ensure that the results derived from the analysis of the data gathered during survey was representative and accurate, the actual sample for each of the 51 sampling locations was weighted. This procedure was used to correct the effects of the deliberate disproportionate sampling method that was used to ensure that a greater number of households living in peripheral 'squatter' settlements were interviewed.

The actual sample consisted of 807 households with a total population of 3228 individuals (807 multiplied by the number of individuals assumed per household i.e. 4). "The weights were derived by dividing the number of households (interviewed) in each housing type in each of the 51 sampling locations into its respective base household population" (Mazur *et al* 1995: 10 - my brackets).

For example, the weight for the sample taken in the squatter areas of Belhar and Belhar Extension is 20.83 (Appendix G). This weight was derived by firstly ascertaining the number of households living in shacks in this location i.e. 250 (the number of individuals living in shacks in this location - see Appendix G population estimates) divided by 4 (the assumed number of individuals per household) which equals 62.5 squatter households.

* The author could not obtain definitive reasons for the use of the female head of household but it can be inferred that the questionnaire designer considered females to be the more stable element in household structures.

This is the base household population for Belhar and Belhar Extension. This figure (62.5) was then divided by the number of squatter households actually interviewed at this location which was 3 (Appendix F) to give the weighting of 20.83.

The weights for each sampling location are given in appendix G. After weighting, the sample population consisted of 892 945 persons and 209 158 households. Given the fact that the total low-income black population in the Cape Metropolitan Area is estimated to be 836 634 people, the weighted sample is therefore representative of this population. The results contained within this chapter therefore represent and pertain to the entire low-income black population in the Cape Metropolitan Area and not only the households sampled.

For the purposes of this study the data pertaining to the 807 households in the various sampling locations was aggregated in order to derive results specific to the five primary housing types found in the black residential areas of the Cape Metropolitan Area, those being:

- a) Formal houses.
- b) Hostels.
- c) Free standing shacks.
- d) Backyard shacks.
- e) Other housing types.

Results derived from the analysis of the survey data refer primarily to these specific housing types regardless of their location within the Metropolitan area. The reason for this is that, in general, households living within the same housing type possess similar characteristics and differ from those living within various other forms accommodation.

The term 'other housing types' refers to those forms of accommodation which exist in the black residential areas but which do not fall within the remaining housing categories mentioned above. These include:

- a) a room(s) in a formal house;
- b) a maisonette;
- c) a flat;
- d) an outbuilding;
- e) a hostel and nearby shack;
- f) a house and backyard shack;
- g) a flat and backyard shack.

The housing types used in this analysis are defined as follows:

Low cost housing:

The term 'low cost housing' refers to formal brick houses costing no more than R30 000 to build. These houses constitute the majority of formal houses presently existing in the black residential areas. Most of this housing was built in the past by the State and by employers for their employees. In general they are serviced and consist of two bedrooms. This is the minimum standard of housing the State anticipates households will be able to obtain through the measures contained within the current housing policy.

Formal houses:

This term refers to those dwelling structures constructed with the use of permanent building materials (such as bricks and cement) which have a replacement life of greater than 10 years and which afford a formal tenure arrangement be it freehold or rental. Such structures may be single or double storey and detached, semi-detached, or terraced.

Free-standing shacks:

Otherwise known as informal housing, this term refers to those dwellings constructed with the use of impermanent building materials (such as cardboard, plastic and tin) and over which either formal or informal tenure may be held. These dwellings are usually single storey and detached. This type of dwelling is characteristic of the so called 'squatter' housing areas.

Backyard shacks:

These dwellings are similar to free-standing shacks but are constructed in the backyard of a formal house. In general, no formal tenure is held over these dwellings although in some cases some form of temporary rights may be granted by the relevant Local Authority. These dwellings are also single story and detached and in most cases are rented from the occupants of the formal house.

Hostels:

These are communal housing units constructed using permanent building materials in the formal housing areas (or 'townships'). In most cases these units were designed to provide accommodation to single male migrant workers and were constructed by either the State or the employers of these workers. Formal tenure arrangements exist over these quarters and are usually based upon leasehold. The units may be single or multiple storey and contain communal facilities such as kitchens and bathrooms.

Statistics contained within this chapter pertain to the 9 primary black locations within the Cape Metropolitan Area. These are listed below. The figure in brackets indicates the number of households that were interviewed in each of these locations. These areas are considered to be the primary black residential locations within the Cape Metropolitan Area as they contain the greatest concentration of black households. A number of other smaller black communities are located in other parts of the Metropolitan Area. For the purposes of this analysis these areas have been 'combined' and included in the term 'other areas.'

- a) Guguletu (151),
- b) Khayelitsha (233),
- c) Langa (64),
- d) Nyanga (130),
- e) Crossroads (24),
- f) Browns Farm (17),
- g) Wallacedene/Bloekombos (83),
- h) Mfuleni (15),
- i) Other areas (89).

The results of this analysis and the manner in which they will be discussed in this chapter have been organised into the following categories:

- a) Living Conditions.
- b) Income and Employment.
- c) Migration and Movement patterns.
- d) Housing needs and Preferences.
- e) Home Improvements.
- f) Housing Affordability and Costs.

The remainder of this chapter will therefore be directed towards interpreting the findings of this research in accordance with the aims of this work. A glossary of abbreviations used in tables and figures will facilitate subsequent reading:

Locations:

- | | | |
|----|-------------------------|---------|
| a) | Browns Farm: | Bfarm |
| b) | Crossroads: | Crds |
| c) | Gugutetu: | Gūg |
| d) | Khayelitsha: | Khy |
| e) | Langa: | Langa |
| f) | Nyanga: | Nyanga |
| g) | Mfuleni: | Mfuleni |
| h) | Wallacedene/Bloekombos: | Walblo |
| i) | Other: | Other |

Housing types:

- | | | |
|----|----------------------|--------|
| a) | Formal House: | House |
| b) | Free-standing Shack: | Fshack |
| c) | Backyard Shack: | Bshack |
| d) | Hostels: | Hostel |
| e) | Other: | Other |

In addition, in some cases the following location abbreviations may also be used:

- | | | |
|----|---------------|--|
| 1) | LaGuNya (LGN) | Langa, Guguletu and Nyanga |
| 2) | Khyl | Khayelitsha |
| 3) | Peri | Refers to those locations outside of those mentioned above |

5.2 PRESENT LIVING CONDITIONS.

Earlier reference was made to the poor conditions in which most of the black low-income population of the Cape Metropolitan Area live. It was pointed out that while these conditions vary between households depending on their socio-economic status, location and dwelling type, in general much of this population live in conditions of absolute or

relative poverty. In addition, it was pointed out that these poor living conditions are both a product of and characterised by overcrowding, a lack of basic services inadequate dwelling structures (particularly in the informal housing areas). The aim of this section is to examine the present living conditions of the black Metropolitan population using the data derived from the afore mentioned survey.

5.2.1 Access to Basic Services

The proportion of households in each housing type who have access to basic services is illustrated in the following table. These basic services include:

- a) Running water.
- b) Sewerage removal.
- c) Electricity.

Table 5.2
Proportion of Households with Access to Various Basic Services
in Relation to Housing Type 1995.

Basic Services	Proportion of Households per Housing Type (%)					Total
Water	Fshack	Bshack	House	Hostel	Other	
Tap in House	8.1	12	90.6	57.7	68.4	40.9
Yard Tap-Sole Use	25.8	-	5.1	1.4	7	15.5
Yard Tap-Shared Use	23.4	36	3	9.9	8.8	15.6
Water Carrier	6	-	-	-	-	3.1
Tap at Communal Site	36.8	52	1.3	31	15.8	24.9
Sewerage						
Flush Toilet	52.7	72	99.1	93	84.2	72.6
Pit Latrine	3.8	4	0.9	-	1.8	2.5
Bucket Latrine	21	12	-	1.4	-	11.4
Chemical Toilet	0.2	4	-	-	-	0.2
Bush (No Toilet)	6.7	-	-	-	-	3.5
Communal Toilet	15.5	8	-	5.6	14	9.8
Electricity						
Connected	33.9	8	92.3	53.5	73.7	54.6

Source: Project Migration Data 1995

With regard to access to running water, a large proportion of households (60 per cent)⁴ within the study region do not have access to an 'in-house' water supply or tap. This is most prevalent in the free-standing shack and backyard shack areas where most households rely upon yard taps and communal taps. In contrast to this, most households living in the remaining housing types have access to 'in-house' taps, the highest proportion being in the formal housing areas (91 per cent) and the lowest being in the hostels where a large proportion of inhabitants⁵ (31 per cent) have access only to communal taps.

In terms of access to sewerage, most households claimed to have access to flush toilets (73 per cent), the highest recorded value being associated with the formal housing areas (99 per cent). By comparison, only 53 per cent of households living in free-standing shacks have access to these facilities a large proportion of which rely upon bucket latrines (21 per cent) and communal toilets (16 per cent).

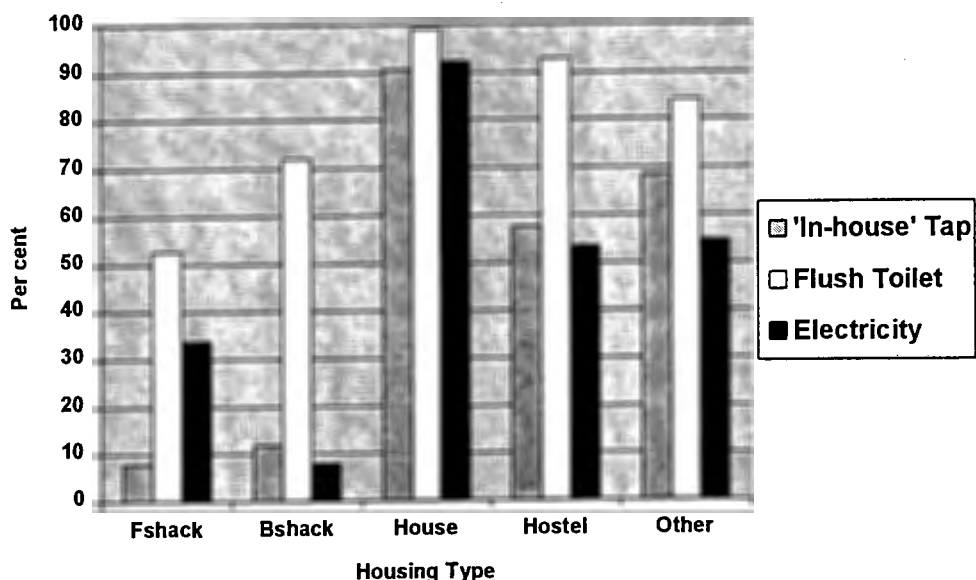
Overall, some 55 per cent of households were supplied with electricity, the lowest values recorded being 8 per cent of backyard shacks and 34 per cent of households living in free-standing shacks. The majority of households without electricity rely upon paraffin to cook, heat water and provide heating to their dwellings. The highest proportion of households having access to electricity presently live in the formal housing areas (93 per cent).

The following diagram depicts the relative proportion of households in each housing type which have access to 'adequate' services. In this instance the term 'adequate' services refers to an 'in-house' tap, flush toilet and electricity (i.e. the highest level of basic service provision households can receive).

⁴ For convenience figures have been rounded when included in the text. More precise values can be discerned in the tables.

⁵ Persons living in hostels are not referred to as 'households' for the reason that they are generally single male migrant workers. They do not therefore possess the characteristics necessary for the appellation 'household.'

Figure 5.1
Access to Adequate Services in relation to Housing Type 1995.



It is apparent that in terms of access to adequate services the number of households in the free-standing and backyard shack areas with access to these services is proportionally much smaller than those residing in the remaining housing types. This is particularly apparent with regard to households living in the formal housing areas where the level of service provision is higher. This illustrates the inequality that exists between these areas and the formal housing areas in terms of service provision. In addition, given the fact that the majority of black households live in free-standing and backyard shacks (although accurate population statistics do not exist), it is possible to conclude that most black households do not have access to adequate basic services.

5.2.2 Overcrowding.

According to Mazur *et al* (1995: 31), “crowding is an important issue reflecting the quality of life.” By definition overcrowding is said to exist when more than one person lives in a single room (Mazur *et al* 1995:32). The following table reflects the degree of overcrowding recorded among households living in different types of accommodation.

Table 5.3
Overcrowding in Relation to Dwelling Type 1995.

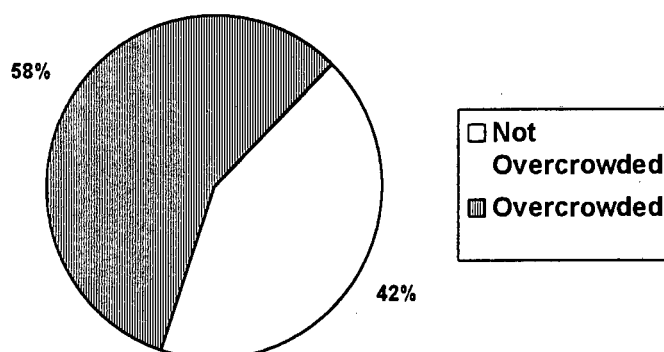
Persons in One Room	Proportion of Households per Housing Type (%)					Total
	Fshack	Bshack	House	Hostel	Other	
1 or Less	40.8	12	60.9	21.1	22.8	42.8
Up to 2	34.8	36	32.8	29.6	42.1	34.3
More Than 2	24.3	52	6.4	49.3	35.1	22.9

Source: Project Migration Data 1995

It is apparent that less than half of the total number of households have only one person per room or less. Fifty seven per cent of all households possess some degree of overcrowding. Backyard shacks appear to be relatively more crowded than other housing types with 88 per cent of households having more than one person per room. By comparison, formal houses are least overcrowded with over 60 per cent of households having one person per room or less. At the same time, many of the households in this housing type were however overcrowded with 40 per cent of households having more than one person per room. In addition, while the incidence of overcrowding was not as high in free-standing shacks as it was in backyard shacks, over 50 per cent of households living in free-standing shacks were overcrowded. As will be made apparent later in this chapter, overcrowding is one of the primary factors causing dissatisfaction among households with their dwellings.

The following diagram illustrates the proportion of all black households in the Cape Metropolitan Area that are presently overcrowded.

Figure 5.2
Proportion of Crowded Households in Relation to the Total Number
of Low-Income Black Households 1995.



As indicated, 42 percent of the total number of black households were overcrowded, having more than one person per room. On average most households had 1.6 persons per room. Furthermore, the incidence of overcrowding is highest in hostels and backyard shacks and lowest in formal houses.

5.2.3 Transport.

According to Mr. John Rushforth (CCC Shelter Unit) it is the intention of the current housing policy that new low-income black residential areas be located upon the periphery of the urban areas. In the light of this, it is important that households located in these areas have access to adequate transport facilities, be they private or public in nature. Mobility is a prerequisite for utilising the full range of facilities and opportunities that are the *raison d'être* of cities. Transport is thus fundamental to the ability of households to maximise the potential inherent within the city. Table 5.4 illustrates the proportion of households living in different housing types who own some form of motorised transport, be it a car or 'bakkie.

Table 5.4
Proportion of Households in Possession of Motorised Transport 1995.

Own Private Transport	Proportion Of Households per Housing Type (%)					Total
	Fshack	Bshack	House	Hostel	Other	
No	94.3	92	82.6	94.4	93	90.7
Yes	5.7	8	17.4	5.6	7	9.3

Source: Project Migration Data 1995

It is evident that over all 91 percent of all black households do not possess their own form of transport. This is true for the majority of households in all housing types. A relatively greater proportion of households living in the formal housing areas did however own a car or 'bakkie.' Consequently the majority of black households in the Cape Metropolitan Area rely upon public transport facilities which are expensive and not always readily available.

5.3 INCOME, EXPENDITURE AND EMPLOYMENT.

Earlier in this study it was mentioned that the current housing and community development crisis is characterised by the fact that it largely limited to the black low-income population within the country. It has been argued that one of the most important contributing factors to this crisis is the low monthly incomes* most black households earn. The reason for this is that without sufficient financial resources black households were unable to provide their own formal accommodation. Historically, this may be attributed to the discriminatory measures used by past political regimes to prevent blacks from accumulating capital or obtaining higher paying jobs through the denial of adequate education and training and job reservation.

* Monthly income refers to the income households receive through their employment - wages, profits and pensions. It does not include other sources of income such as remittances from relatives.

5.3.1 Monthly Household Income.

Table 5.5 illustrates the total monthly incomes (which include all sources of income) of black households in the Cape Metropolitan Area. For the purposes of this study, these incomes have been categorised into those income brackets used by the DOH when determining the level of subsidy assistance each low-income household is permitted to receive under the capital subsidy. These income categories have been outlined in the previous chapter.

Table 5.5
Total Monthly Household Income

Location	Housing type	Percentage of Households per Income Category (R per month)			
		0-800	801-1500	1501-2500	2501+
Bfarm	Fshack	90	10	-	-
	House	14.3	28.6	14.3	42.9
Crds	Fshack	87.5	25.5	-	-
	House	62.5	25	12.5	-
Gug	Fshack	47.9	36.8	10.5	5.3
	Bshack	28.6	71.4	-	-
	House	17.2	31	25.3	26.4
	Hostel	40	60	-	-
	Other	35.7	35.7	21.4	7.1
Khy	Fshack	57.8	28.6	10.4	3.2
	Bshack	75	-	25	-
	House	22.2	30.2	36.5	11.1
	Other	66.7	33.3	-	-
Langa	Fshack	100	-	-	-
	House	38.1	33.3	19	9.5
	Hostel	34.5	44.8	17.2	3.4
	Other	90	10	-	-
Mfuleni	Fshack	55.6	11.1	33.3	-
	House	80	-	-	20

Table 5.5 continued.

Nyanga	Fshack	59	23.1	12.8	5.1
	Bshack	55.6	22.2	22.2	-
	House	34.9	23.3	20.9	20.9
	Hostel	25	59.4	12.5	3.1
	Other	42.9	14.3	-	42.9
Other	Fshack	36	30.3	22.5	11.2
	Bshack	-	-	100	-
	House	-	-	-	100
Walblo	Fshack	32.9	53.2	13.9	-
	Bshack	25	50	25	-

Source: Project Migration Data 1995

In most cases, a large proportion of households within each location earn below R1500 per month. Households occupying free-standing shacks earn the lowest monthly incomes, many of which earn less than R800 per month. This is evident in the following table which illustrates the total monthly income per housing type for the entire black Metropolitan population interviewed regardless of location. Figures in this table refer to the percentage of households within each housing type that fall into the various income categories.

Table 5.6
Total Monthly Income per Housing Type.

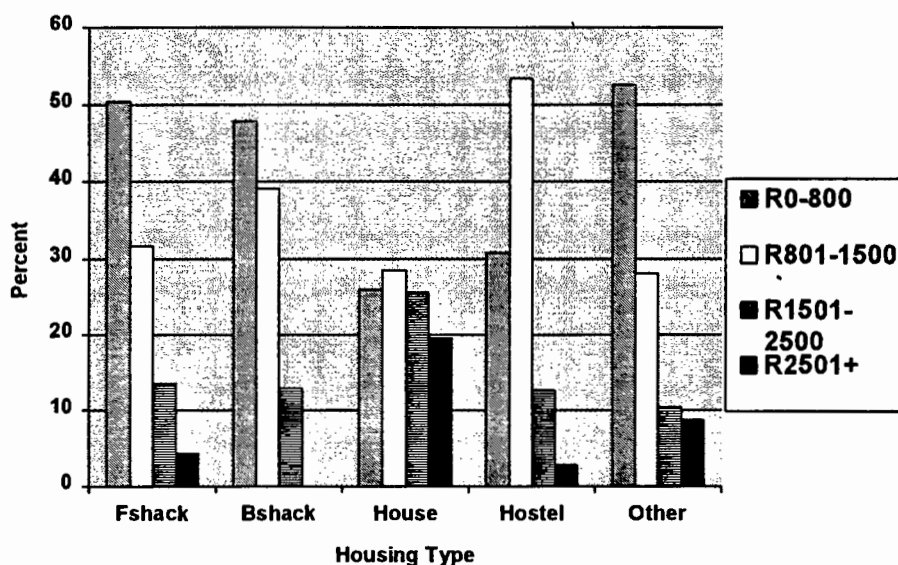
Housing Type	Monthly Income Categories (R)			
	0-800	801-1500	1501-2500	2500+
Fshack	50.4	31.7	13.6	4.3
Bshack	44	36	20	-
House	26	28.5	25.5	19.6
Hostel	30.9	53.5	12.7	2.8
Other	52.6	28.1	10.5	8.8
Total	41.6	32.6	17	8.8

Source: Project Migration Data 1995

It is evident that households occupying dwellings other than formal houses earn the lowest monthly incomes. This is especially apparent with regard to households occupying free-standing shacks, backyard shacks and other forms of accommodation where in each of these cases approximately half of these households earn below R800 per month. Furthermore, in each case over 80 per cent of these households earn less than R1500 per month.

Of the households presently residing in formal houses, it would appear that the relative proportion of these households falling in each income category is almost equal. At the same time, 55 per cent earn below R1500 per month and therefore fall within the very low-income bracket (DOH 1994: 23). Despite this fact however, a greater proportion of households living in formal accommodation receive an income above R1500 per month (45 per cent) These results are depicted in figure 5.3.

Figure 5.3
Income Distribution between Housing Types within the Black Low-Income Areas
of the Cape Metropolitan Area 1995.



With regard to the total number of black households in the Cape Metropolitan Area, it is apparent that on average:

- i) 42 per cent earn below R800 per month,
- ii) 33 per cent earn between R801 and R1500 per month,
- iii) 17 per cent earn between R1501 and R2500 per month,
- iv) 9 per cent earn above R2501 per month.

Hence, 75 per cent of all black households within this area earn below R1500 per month and are therefore within the very low-income bracket. Furthermore, these incomes are not necessarily regular and differ from time to time in response to changes in earnings from remittances and other alternative sources of income.

The average monthly income of all black households interviewed in this survey was R1242 per month. This figure differed however between housing areas and housing types with the highest average incomes being recorded in the formal housing areas of Khayelitsha (R1415 per month) and Langa, Guguletu and Nyanga which together had an average monthly household income of R1617. The lowest household incomes were recorded in the free-standing shack areas of Khayelitsha where households receive an average monthly income of R858. Other areas in which households received below average monthly incomes included the hostels in Langa, Guguletu and Nyanga (R968 per month), the free-standing shacks in these same areas (R1002 per month) and the backyard shacks also found here (R923 per month).

As indicated, the majority of black households within the Cape Metropolitan Area earn below R1500 per month. Most of these households are located in the free-standing and backyard shack areas. Further details are contained within the following table which examines in greater detail the monthly incomes of these very low-income households.

Table 5.7
Households Earning Below R1500 per Month as a Percentage of All Black Low-Income Households in the Cape Metropolitan Area 1995.

Percentage of all Households	Very Low-Income Categories (R)					
	0-100	101-300	301-500	501-700	701-900	901-1500
Actual	4.5	13.4	11.5	12.4	13.5	19.8
Cumulative	4.5	17.9	29.4	41.8	55.3	75.1
Fshack	6.2	16.7	14.1	12.6	11.2	20.5

Source: Project Migration Data 1995

Apparent in this table is the fact that 75 per cent of *all* low-income households in the Cape Metropolitan Area earn below R1500 per month. Furthermore, substantial portions of these households earn incomes below R1500 every month with almost 30 per cent earning less than R500 per month. Eighty one per cent of households in free-standing shacks earn below R1500 per month. Furthermore, 23 per cent of these households earn below R300 per month while 37 per cent earn below R500 per month. This is important when considering the current policy of incremental housing as it may constrain the ability of these households to afford to upgrade their dwellings and incrementally construct formal houses.

5.3.2 Income as a Proportion of the Primary Household Subsistence Level.

In light of the monthly incomes presented in the previous section, a useful measure indicating the amount of disposable income households possess is the Primary Household Subsistence Level (PHSL). The PHSL reflects the amount of income various households require in order to subsist and live at a basic 'urban survival' standard. This amount includes for example that amount of income needed for food, clothing, transport, rent (including service charges, rates and taxes) and other basic household expenditures (fuel, lighting, water). This amount does not include expenditures relating to consumer durable items, home improvements, illness or contingency costs. It is calculated for the major Metropolitan areas on a regular basis by the University of Port Elizabeth.

Monthly household income in exceeding of this subsistence amount is disposable income. This may be used to improve a households living conditions through the attainment of 'luxury' items, or with particular reference to this study, it may be used in the process of upgrading or to obtain a formal house. It is important to note that the PHSL varies between households depending upon their size and composition. The PHSL (low-middle income) calculated in this survey ranged from R440 to R3236 per month. This indicates a wide variation in household size and composition. This was based upon the PHSL for Cape Town in March 1995 as published by J.F. Potgieter (1995: 79). On average, households in this survey were receiving monthly incomes 38 per cent higher than the recommended PHSL although large variations were evident with some households earning monthly incomes 795 per cent above this level. Others received incomes only 7 per cent above this level. This indicates considerable diversity in household income and in the amount of disposable income households possess.

Table 5.8 illustrates the percentage relation of household income to the PHSL for the various housing types occurring in the black residential areas of Cape Town.

Table 5.8
Household Monthly Income as a per cent of the PHSL (low-middle income) 1995.

Housing Type	Income as per cent of PHSL (%)				
	0-50	50.1-80	80.1-120	120.1-200	200.1 +
Fshack	26.3	16.9	17.2	19.6	20
Bshack	20	32	20	16	12
House	14	15.3	17	22.6	31.1
Hostel	7	19.7	19.7	39.4	14.1
Other	42.1	12.3	22.8	10.5	12.3
Total	21.9	16.9	17.8	21.4	21.9

Source: Project migration Data 1995

Presently a large proportion of low-income black households in the Cape Metropolitan Area do not earn monthly incomes that exceed the PHSL. More specifically, this situation pertains to:

- i) 43 per cent of households occupying free-standing shacks,
- ii) 52 per cent of households occupying backyard shacks,
- iii) 54 per cent of households occupying other forms of accommodation,
- iv) 27 per cent of households occupying hostels,
- v) 29 per cent of those households occupying formal houses.

On average, 41 per cent of households are currently earning monthly incomes that are below the PHSL. The list above also suggests that households occupying dwellings other than formal houses or hostels are the poorest in the area and those least likely to possess that amount of disposable income needed improve their living conditions. The implications of this will be discussed in greater detail in the next chapter. Moreover, separate analysis has revealed that while the average PHSL increases as household size increases, monthly household income as a per cent of the PHSL tends to decrease. This indicates that households disposable income tends to decrease as households size increases.

5.3.3 Primary Income Earning Activity.

In order to provide an explanation for the low monthly incomes most black households earn this section will examine the primary income earning activities of those households interviewed. Table 5.9 illustrates the primary income earning activity of household heads in relation to the various housing types.

Table 5.9
Income Earning Activities of the Black Household Heads in Cape Town 1995.

Type of Employment	Employment of Household Head per Housing Type %					Total
	Fshack	Bshack	House	Hostel	Other	
None (Unemployed)	18.6	16	26.4	15.5	43.9	22.3
Unskilled Labour	12.4	16	2.1	21.1	5.3	9.8
Unskilled Service	39.4	36	30.6	29.6	26.3	34.9
Semi-skilled Labour	9.5	12	7.7	11.3	7	9
Semi-skilled Service	8.4	16	16.6	7	8.8	10.9
Skilled Labour	8.6	4	3.4	9.9	5.3	6.8
Skilled Services	1.2	-	10.2	1.4	3.5	4
Unspecified	1.9	-	3	4.2	-	2.2

Source: Project Migration Data 1995

Note: Statistics contained in the above table include both male and female household heads.

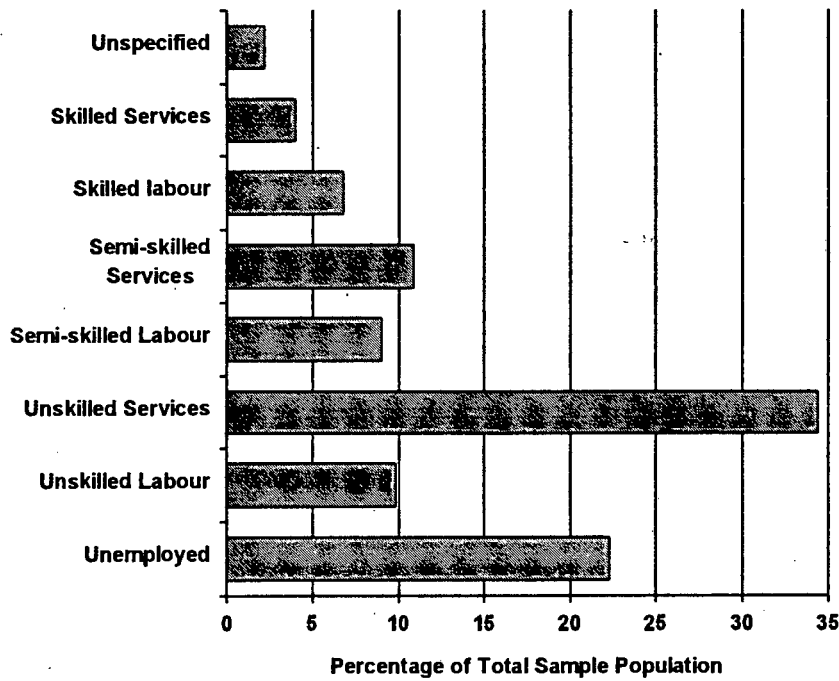
Definitions of the above employment categories:

- i) *Unskilled Labour*: includes odd part time jobs, labourer, unskilled construction workers, packers.
- ii) *Unskilled Service*: includes cleaners, gardeners, street hawkers, petrol and shop attendants, waitresses, delivery, personal services.
- iii) *Semi-skilled Labour*: includes factory workers, clothes making, cook, semi-skilled construction labour, military services, machine operator.
- iv) *Skilled Labour*: includes skilled construction workers and other skilled labour.
- v) *Skilled Service*: includes supervisors, managers, teachers, health care workers and other professional services.

Forty four percent of household heads are employed in unskilled occupations and 20 percent in semi-skilled occupations. These jobs are generally low paying. Only 11 percent of household heads have higher paying skilled jobs. Table 5.9 also indicates that the largest proportion of household heads falling within the skilled occupational categories live in formal houses. By comparison, a greater proportion of unskilled and semi-skilled individuals live in free-standing and backyard shacks. This accounts for the

fact that most of the households falling within the very low-income category live in these housing types. For ease of analysis, the statistics presented in this table are illustrated graphically in figure 5.4.

Figure 5.4
Proportion of Household Heads in Different Occupational Categories 1995.



It is apparent that over one fifth of all household heads are currently unemployed. It is important to note that a portion of these individuals may be retired or voluntarily unemployed. Separate analysis has revealed that of all persons within each household between the income earning ages of 20-59 years 47 per cent are currently unemployed. This unemployment rate is highest amongst females where 53 per cent are unemployed as opposed to 37 per cent of males. Consequently, not only may one attribute the low-incomes received by households to the fact that in most are engaged in low paying unskilled and semi-skilled occupations but also to the fact that a large proportion of the black economically active population is unemployed.

The large proportion of household heads engaged in low paying unskilled and semi-skilled occupations provides an explanation for the low monthly incomes these households receive. In order to understand why the majority of black household heads fall within these job categories, it is necessary to examine their levels of education. The reason for this is that the degree to which individuals are educated and skilled largely determines the type of occupational category they will be able to enter into.

5.3.4 Education Levels.

The inability of blacks to obtain higher paying skilled employment may be attributed to the fact that in the past blacks were denied access to adequate education and training. As indicated, this is a pre-requisite for such jobs. The aim of this section is to examine the levels of education of low-income black household heads in the Cape Metropolitan Area. The following table illustrates the proportion of household heads in each housing type in relation to education levels.

Table 5.10
Education Levels of Household Heads 1995

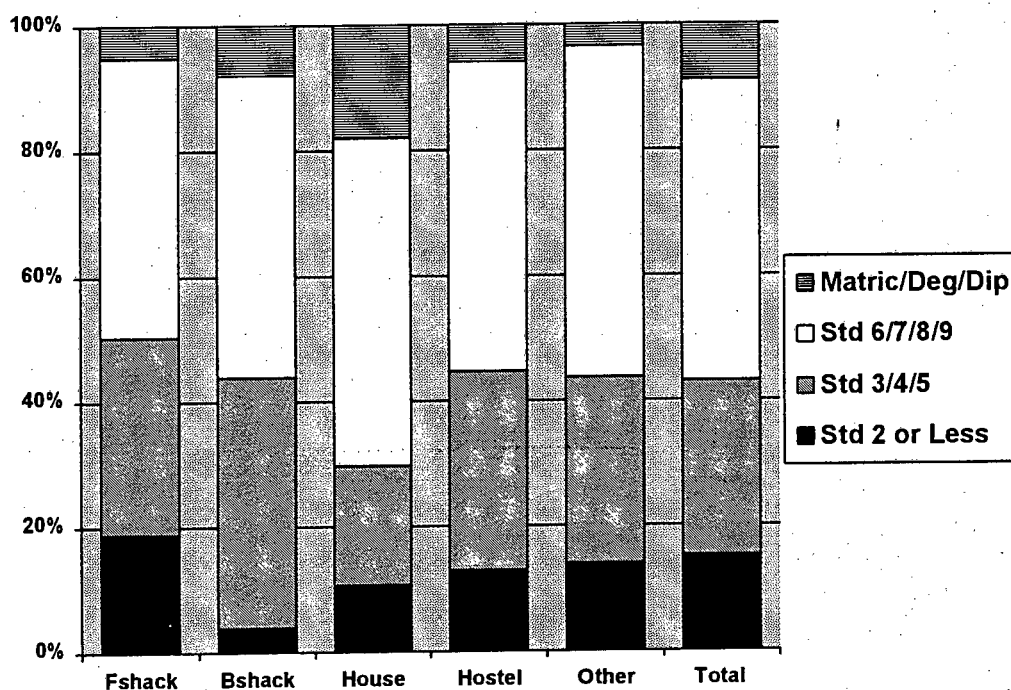
Education Level	Proportion of Household Heads per Housing Type (%)					Total
	Fshack	Bshack	House	Hostel	Other	
Std 2 or Less	18.8	4	10.7	13	14	15.1
Std 3/4/5	31.6	40	18.9	31.9	29.8	28
Std 6/7	29.6	36	25.3	26.1	36.8	28.8
Std 8/9	14.9	12	27	23.2	15.8	19.1
Matric/Deg/Dip	5.1	8	18	5.8	3.5	8.9

Source: Project Migration Data 1995

Presently only 9 per cent of all household heads possess a matriculation exemption, degree or diploma. By extension, 91 per cent do not have these educational qualifications. While most household heads possess an education within the range of standard 3 to standard 7 (57 per cent) it is evident that 43 per cent were educated below the level of standard 6.

In general, household heads living in formal houses are being better educated than their counterparts living in free standing shacks. Noteworthy in this regard is the fact that 22 per cent of household heads living in Khayelitsha have a matriculation exemption, degree or diploma. Household heads living in free-standing shacks displayed the lowest levels of education with 50 per cent having been educated to levels below Std 6. Graphically, these differences are displayed in the following diagram.

Figure 5.5
Relative Education Levels of Household Heads Living
in Different Housing Types 1995.



In conclusion, the fact that a large proportion of households appear to be confined to low-paying unskilled jobs may partly be explained by the fact that the majority do not possess the educational qualifications with which to attain higher paying more skilled occupations.

5.3.5 Other Sources of Household Income.

As regards other sources of income which may supplement the monthly earnings of households, overall, 77 per cent claimed that they did not obtain income through other means whilst 23 said that they did. Table 5.11 indicates the relative proportions of households within each housing type that do or do not receive income from other sources.

Table 5.11
Receipt of Income through other Means.

Receipt of other Income	Proportion of Households that Receive Additional Income (%)				
	Fshack	Bshack	House	Hostel	Other
Yes	17.7	20	27.7	19.7	42.1
No	82.3	80	72.3	80.3	57.9

Source: Project Migration Data 1995

The smallest proportion of households receiving additional income are located in the free-standing shack settlement while the largest proportion reside in other forms of accommodation. Of those households who do receive outside financial assistance, 47 claimed that this income is derived from an old age pension while 23 per cent maintain that this income is obtained from other unspecified sources.

The primary sources of the additional income received by households which claim that they do are as follows:

		<u>Per cent.</u>
i) <i>Free-standing shacks:</i>	Old age pension	28
	Other sources	34
ii) <i>Backyard shacks:</i>	Old age pension	20
	Private pension/provident fund	20
	Government maintenance	40
	Other sources	20
iii) <i>Formal houses:</i>	Old age pension	57
	Other sources	12
iv) <i>Hostels:</i>	Old age pension	43
	Government disability grants	14
	Other sources	29
v) <i>Other housing types:</i>	Old age pension	83
	Other sources	12.

The average amount of additional income received for all households claiming to do so was R416 per month. This amount was highest in the formal housing areas of Khayelitsha (R550) and Langa, Guguletu and Nyanga in which on average R463 per month was received respectively. The lowest average amounts received were in the free-standing shack areas of these same locations where on average R300 and R326 per month were received respectively.

5.3.6 Monthly Household Savings.

Central to the policy of incremental housing is the notion that households use their own financial resources to upgrade their dwellings or buy or build a formal house. To cover the costs involved in either of these processes (home loan repayments, construction costs and the deposit required on a home loan) households with require disposable income or some form of monetary savings. The amount of disposable different households possess each month have already been dealt with. The aim of this section is to examine the

savings capacity of black low-income households in the Cape Metropolitan Area. The following table illustrates the proportion of households living in different housing types who possess savings and the types of savings schemes utilised by those who do.

Table 5.12
Monthly Household Savings 1995.

Savings	Proportion of Households per Housing Type (%)				
	Fshack	Bshack	House	Hostel	Other
Yes	35.6	36	70.2	40.8	52.6
No	64.4	64	29.8	59.2	47.4
Scheme *					
Burial Soc	38.9	66.7	57	27.6	83.3
Stockvel/Sav	18.8	11.1	20	10.3	6.7
Club					
Bank	42.3	22.2	23	62.1	10

Source: Project Migration Data 1995

* Only relevant to those households who do save.

Of the households interviewed in this survey, over half (53 per cent) reported saving a proportion of their monthly income. The greatest proportion of households who save presently live in formal houses where (70 per cent). Most of the households who do not save exist in the free-standing and backyard shack areas where on average 64 per do not save or possess savings. This may in part be attributed to the fact a large proportion of these households do not possess excess disposable income which might be saved.

Of the total number of black low-income households who do save, the most common form of savings scheme are burial societies. These are utilised by 50 per cent of these households. In addition, 33 per cent utilise the savings facilities of banks and 18 per cent save through 'stokvel' or savings clubs.

The primary reasons given for saving were:

- i) Save money: 20.9 %
- ii) Future needs: 18.8 %
- iii) Funeral: 16.5 %⁸
- iv) Security: 10.7 %
- v) Financial help: 7.3 %

The response 'save money' given as a reason to save money by households refers to the general desire to accumulate capital for various unspecified reasons. Relatively few households expressed the need to save in order to invest (2 per cent), earn interest (3 per cent) or to provide for their children's education (7 per cent).

5.3.7 Household Debt.

When considering the propensity of household to save it is also important to consider the prevalence of debt. The ability of households to save may be limited by incurring debt which dictates that excess income be directed away from savings and towards the capital and interest repayment of such debt. In addition, the existence of debt pertaining to the consumption of durable and non-durable consumer goods and services, other than those related to housing, is an important factor limiting the ability of households to repay debts incurred during the process of obtaining housing (for example housing loans).

Table 5.13 illustrates the proportion of households in each housing type who have debts and their nature. It is important to note that this table does not include debt for any form of housing loan or bond, nor any costs that may have been incurred through structural home improvements. The costs and debt relating to these factors will be examined at a later stage in this chapter. Consequently, these statistics refer only to the debt incurred through the purchase of consumer goods and services.

Table 5.13
Current Consumer Debt of Black Low-Income Households within
the Cape Metropolitan Area 1995.

Debt Categories	Proportion of Households with Consumer Debt (%)					Total
	Fshack	Bshack	House	Hostel	Other	
Motor Vehicle	0.5	4	0.4	.14	-	0.6
Furniture/Appliances	5.5	4	22.1	8.5	17.5	11.4
Shop Accounts	7.6	4	16.2	5.6	10.5	10
Other	1.9	-	3.4	-	-	2
None	84.5	88	57.9	84.5	71.9	76

Source: Project Migration Data 1995

Overall, 24 percent of households carry some form of consumer debt. The highest incidence of debt is apparent amongst households living in formal houses where 42 per cent have consumer debts. This may be attributed to the fact that overall these households earn higher monthly incomes than households living in the remaining housing types and therefore have the disposable income needed to service credit. This was most apparent in the formal housing areas of Khayelitsha where 68 per cent of households have consumer debt. The majority of household debt is confined to the purchase of furniture and appliances (11 per cent) and shop accounts (10 per cent). The actual amount of debt households carry was not ascertained during the survey.

5.3.8 Proposed Usage of a Hypothetical Increase in Income.

In order to gauge the possible needs of low-income black households contained within the study area, a hypothetical question was included in the questionnaire. This question sought to establish how households would spend a 'once off' grant of R10 000. The following table the responses that were made by households contained within each of the existing housing types.

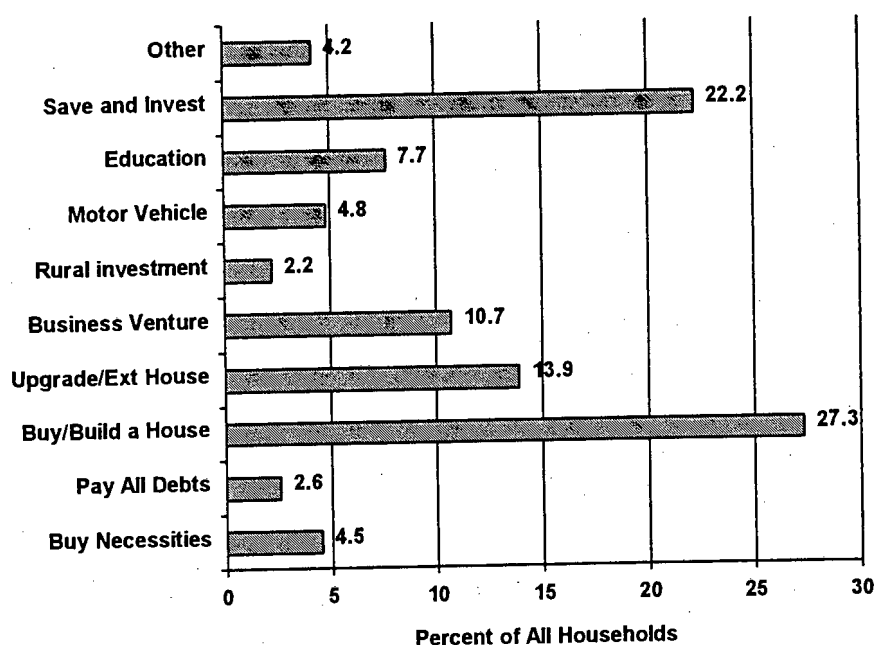
Table 5.14
Expenditure of a Hypothetical R10 000.

Proposed Expenditure	Proportion of Households per Housing Type (%)					Total
	Fshack	Bshack	House	Hostel	Other	
Buy Necessities	5.5	4	3	5.6	1.8	4.5
Pay all Debts	0.7	4	6.4	-	3.5	2.6
Buy/Build a House	31.5	56	13.2	45.1	19.3	27.3
Upgrade/Extend House	5.5	-	26.4	7	38.6	13.9
Business Venture	13.1	4	7.7	4.2	15.8	10.7
Rural Investment	2.6	8	0.4	4.2	1.8	2.2
Buy a Motor Vehicle	6	-	4.7	4.2	-	4.8
Education	5.3	12	8.5	16.9	8.8	7.7
Save and Invest	25.5	8	24.3	11.3	8.8	22.2
Other	4.3	4	5.5	1.4	1.8	4.2

Source: Project Migration Data 1995

The most common responses to this question was that this additional income would be used to either buy or build a house (27 per cent), save and invest (22 per cent). As regards the possibility of upgrading their present dwellings, 13 per cent of households responded positively to this option. Significantly, apart from those households presently residing in formal houses or other forms of accommodation few households expressed an interest in this latter option. Consequently, it is evident that the preference of most households living in free-standing and backyard shacks and hostel dwellers is to either buy or build a formal house or to save and invest this hypothetical capital gain. This is important in terms of the policy of incremental housing as it suggests that many households are likely to be unwilling to use the subsidy grant available to them through the capital subsidy scheme to upgrade their current dwellings. This will be discussed in greater detail in the next chapter.

Figure 5.6
Distribution of Total Responses to a Hypothetical Endowment of R10 000.



It is evident therefore, that the primary desire of low-income black households within the Cape Metropolitan Area is either to buy or build a formal house *providing they have the financial ability to do so*.

5.4 HOUSING AFFORDABILITY AND COSTS.

Housing affordability refers to the degree to which households are able to afford the costs associated with obtaining formal housing or upgrading their present dwellings to this standard. It largely depends upon household disposable income, total monthly earnings, consumer debt and savings. In addition, the amount of income households are able to allocate towards either of these purposes depends upon the existing utility or service charges associated with their current dwellings and the amount of money households may owe on their dwellings. These costs reduce the amount of disposable income households can spend on formal housing and will be examined in this section.

In addition, this section will also assess the degree to which households are currently able to afford to improve their dwellings. Before proceeding however, it is necessary to examine the type of tenure arrangement households have over their dwellings. The reason for this is that the willingness of households to upgrade their dwellings largely depends upon whether they have secure tenure over these structures. According to Mr. John Rushforth of the Cape Town City Councils' Shelter Unit, households who own their dwellings are more likely to maintain these structures and carry out improvements.

5.4.1 Home Ownership.

Inherent within the policy of incremental housing is the fact that low-income households should have secure tenure over their properties and that they should own the dwellings in which they reside. As indicated, the reason for this is that it is envisaged that both the maintenance and upgrading of these structures will be encouraged if households own their own dwellings. In addition, households who own their dwellings also have the benefit of reduced housing costs each month as they do not have to pay monthly rentals or housing loan repayments⁶.

The following table depicts the proportion of households interviewed who claimed to own the dwellings in which they currently live, in relation to the various housing types found within the Cape Metropolitan Area.

⁶ While it is recognised that an individual may be said to 'own' his/her dwelling despite the existence of outstanding debt in the form of a home loan or bond, home ownership in this study is used to describe households which have secure tenure over their dwellings and which do not owe money on these properties. The purpose of this is to be able to differentiate between households which do not owe money on their dwellings, which possess home loans and which rent their accommodation.

Table 5.15
Ownership of Dwelling per Housing Type 1995.

Ownership	Proportion of Households per Housing Type (%)				
	Fshack	Bshack	House	Hostel	Other
Yes	90.9	72	61.3	1.4	24.6
No	9.1	28	38.7	98.6	75.4

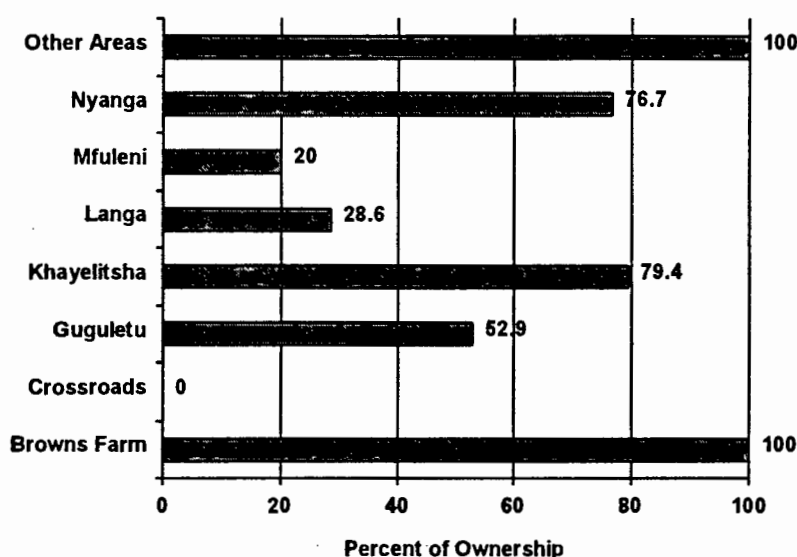
Source: Project Migration Data 1995

Most of the households living within the free-standing and backyard shacks own the dwellings in which they reside. A large proportion of households living in formal houses also own their dwellings although almost 40 per cent do not. Hostels do not comprise of separate housing units which can be sold to occupants but were instead built to accommodate a large number of single workers upon a rental basis. Consequently the incidence of ownership is lowest among these individuals. Overall, 69 per cent of black low-income households in the Cape Metropolitan Area consider themselves to own the dwellings in which they reside while 31 per cent do not.

Figure 5.7 indicates the relative proportions of households living in formal houses who own the dwellings in relation to their location within the Cape Metropolitan Area. This diagram does not include households living in the remaining housing types. The reason for this is that most of these households and especially those living in free-standing and backyard shacks, appear to own their dwellings regardless of their location (except individuals living in the hostels where almost none own their accommodation).

Exceptions to this are however apparent in Crossroads where 44 per cent of households residing in free-standing shacks do not own their dwellings. Furthermore, in Guguletu, Langa and Nyanga, 43 per cent, 71 per cent and 44 per cent of shack dwellers respectively do not own these structures.

Figure 5.7
Ownership of Formal Houses as per Location 1995.



Only in the cases of Browns farm and those other peripheral locations within Cape Town do most households presently residing in formal houses own their dwellings. This is also true of a large proportion of households living within Khayelitsha and Nyanga. In the case of Crossroads however, none of the formal houses that exist in this location are owned by the inhabitants of these houses. These variations may be attributed to a number of reasons such as the inability of households to afford to purchase their dwellings and the fact that many of these houses belong to the State or employers and provided solely on a rental basis. In addition, the high incidence of home ownership among shack dwellers may be attributed to the fact that these households constructed their dwellings of their own accord in response to the lack of formal housing*.

* On constructing this question a decision was made to define home ownership as occurring when a house has been fully paid for. It is acknowledged that this question could have been misunderstood but that there is no way of knowing to what degree this was the case. Thus the data and conclusions drawn in this sub-section need to be interpreted with circumspection.

5.4.2 Housing Costs.

Apart from the costs incurred by black low-income households through the consumption of durable and non-durable consumer goods (including transport), additional costs are also incurred in terms of housing. These costs include:

- 1) Bond repayments.
- 2) Rents.
- 3) Utility charges.

The aim of this section is to examine the type and magnitude these costs in terms of the different housing types found in the Cape Metropolitan Area. In addition, the degree to which these costs may affect the ability of households to afford better accommodation will be assessed. This is especially relevant to this study as it has implications upon the capability of households to upgrade and improve their living conditions through the policy of incremental housing.

The aim of the following section is to identify the proportion of low-income black households in the Cape Metropolitan Area which pay either monthly home rentals or monthly repayments on home loans. In addition, the proportion of households that pay monthly for utilities (basic services) will also be identified as well as the average size of these payments. This is particularly relevant in terms of the present 'culture of non-payment.' Thereafter, an assessment will be made of the degree to which these costs impact upon monthly household income.

Housing Tenure Arrangements.

The following table illustrates the proportions of *all* low-income black households in the total Cape Metropolitan Area living within different forms of accommodation which either rent, own, or owe money on their dwellings (home loan or bond).

Table 5.16
Proportion of All Low-Income Black Households Interviewed Living under different
Tenure Arrangements 1995.

Tenure	Proportion of Households (%)				
	Fshack	Bshack	House	Hostel	Other
Owe Money	0.3	0.1	7.4	-	-
Rent	2.6	0.6	12.3	6.3	5.2
Ownership	49.1	2.3	9.4	2.5	1.9

Source: Project Migration Data 1995

Using the information contained in the above table a number of conclusions may be drawn:

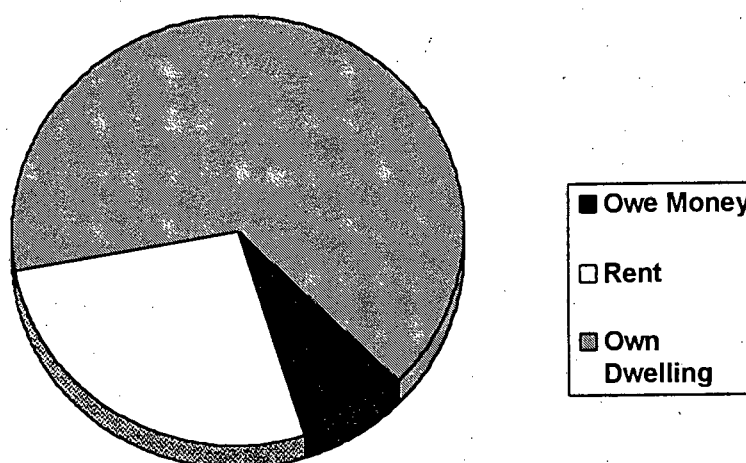
- 1) Seven per cent of low-income black households in the Cape Metropolitan Area live in formal houses and owe money on these houses. In addition, further analysis has revealed that of these households, 92 per cent owe this money as a home bond, whilst 8 per cent owe this money through some other form of loan. Therefore, In terms of the entire low-income black Metropolitan population, 7 per cent possess home bonds all of which are located in the formal housing areas.
- 2) The largest proportion of households paying monthly rentals upon their dwellings live in formal houses (12 per cent of total black low-income population).
- 3) Forty nine per cent of all households live in free-standing shacks which they own and have 'paid off' all housing loans.

In addition, in terms of the total number of black households within the Cape Metropolitan Area regardless of housing type:

- 1) Eight per cent of owe money upon their dwellings (notably home bonds).
- 2) Twenty seven per cent rent their accommodation (mainly in the formal housing areas).
- 3) Sixty five per cent own the dwellings in which they live and are not servicing any form of home loan (most of which live in the free-standing shack areas).

This observation is illustrated further in the following diagram. It is important to note that the apparent discrepancy between the number of households claiming to own their dwellings, as indicated in this section (65 per cent) and the previous section (69 per cent), may be attributed to the fact that these households misinterpreted this question and stated that they owned their dwellings when in fact they may have either rented or owed money on these structures. The statistic contained within this section is considered to be more accurate.

Figure 5.8
Proportions of the Total Low-Income Black Population within the Cape Metropolitan Area Living Under Different Tenure Arrangements 1995.



Source: Project Migration Data 1995.

As regards the proportions of those households living under these different tenure arrangements within each housing type, these are given in table 5.17.

Table 5.17
Proportion of Households within each Housing Type Living under Different Housing Tenure Arrangements 1995.

Tenure	Proportion of Households in each Housing Type (%)					Total
	Fshack	Bshack	House	Hostel	Other	
Owe Money	0.5	4	25.5	-	-	7.8
Rent	5	20	42.1	71.8	73.7	27
Own	94.5	76	32.3	28.2	26.3	65.2
Dwelling*						
Total	100	100	100	100	100	100

Source: Project Migration Data 1995

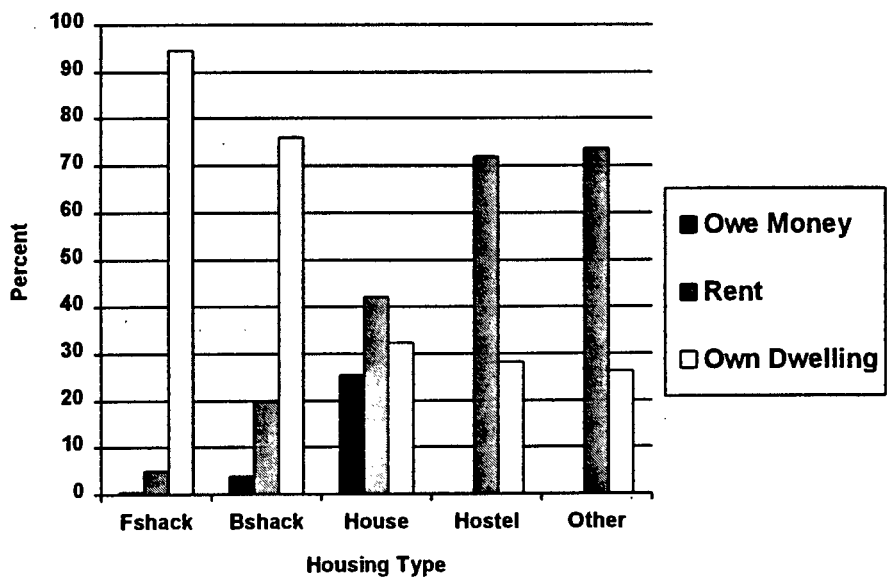
* These households do not owe any money on their dwellings.

The highest proportion of households which owe money on their dwellings live in the formal housing areas. By comparison, relatively fewer households living in the free-standing and backyard shacks owe money and none of these households are in possession of a home bond. The highest proportion of households (individuals) that pay monthly rentals for accommodation live in hostels and 'other' forms of dwelling. Nevertheless, a large number of households within the formal housing areas rent their houses. It is evident that amongst households living in the category of 'other' housing types, formal houses and hostels that the majority do not own their dwellings.

The majority of households living in free-standing and backyard shacks own their dwellings. It is important to note that although this conclusion has been drawn from information contained within the survey, that it is unlikely that this number backyard shack dwellers own their dwellings. The reason for this is that these dwellings are located within backyards of formal houses and hence it is unlikely that households own the land upon which these structures are built. It is possible that the backyard shack dwellers interviewed during this survey misinterpreted this question and indicated that they owned their dwellings when in fact no formal tenure arrangement exists. This would account for this unlikely conclusion.

Figure 5.9 graphically depicts the results of the above table.

Figure 5.9
Housing Tenure in Relation to Housing Type 1995.



Housing Costs.

To reiterate, the costs involved for different housing types include not only monthly rentals and loan repayments but also monthly utility charges (basic services, rates and Municipal taxes). These are supposed to be paid by all households that receive basic services from the Local Authority in whose jurisdiction they reside, regardless of whether they own the dwelling in which they live. A proportion of these charges may however be levied against the owner of the property concerned in the case of households which rent their dwellings.

The following table illustrates the average monthly amount paid (in rands) by these households in the formerly black residential areas in order to cover these costs. The percentage of households in each area which pay these charges is also given in this table.

Table 5.18
Average Monthly Household Payments for Housing and Utilities (Rand) 1995.

Cost	Fshack			Hostel	Bshack	House	
	Peri	Khy	LGN	LGN	LGN	Khy	LGN
Housing	67	26	25	18	41	331	81
Utilities	35	39	85	32	39	105	81
Total	102	65	110	50	80	436	182
Pay Util*	41	36	6	43	13	98	85

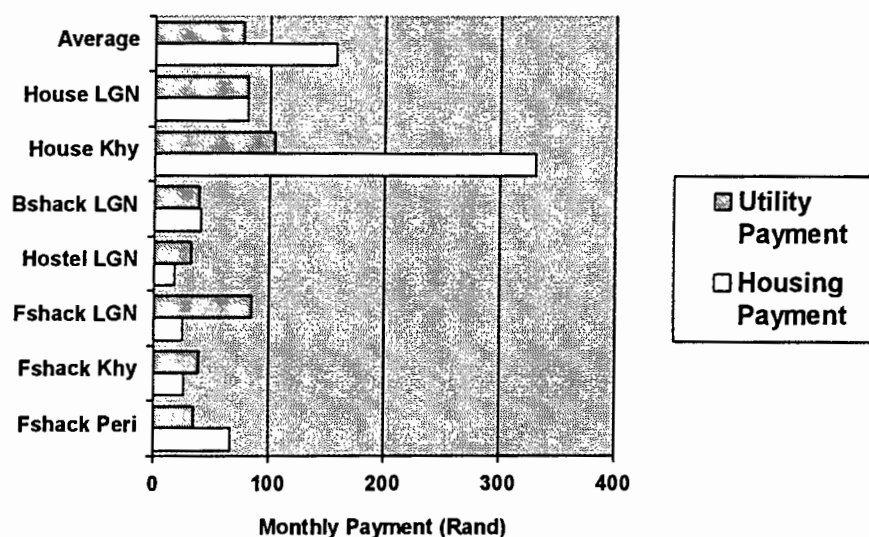
Source: Mazur et al 1995: 46

Note: Pay Util* refers to the percentage of households in each area that pay monthly utility charges.

On average, 57 per cent of all households pay these charges. The highest proportion of households paying these charges presently reside in the formal houses of Khayelitsha and LaGuNya. Prior to the elections in 1994 there had been a widespread, politically motivated and orchestrated campaign to boycott Black Local Councils and to immobilise them through, *inter alia* the non-payment of rents and service charges. While the objective was accomplished and almost all Black Local Authorities collapsed, the practise of non-payment continues and has become something of a 'culture' notwithstanding a vigorous Government initiative called Masakane (Zulu for 'let us build together') designed to induce residents to meet their responsibilities. Despite the existing 'culture of non-payment,' it is evident that many households in the shack areas also appear to be making these payments and in particular those in the free-standing shacks located in Khayelitsha and the peripheral housing areas ('other' housing areas). The lowest proportion of households paying these charges are currently located in the backyard shack areas of LaGuNya and the free-standing shack areas of this same location. Consequently, the 'culture of non-payment' is most evident in these locations. Many spokespersons for these communities have recently stated that they are prepared to pay in principal for services but not for non-existent or sub-standard services. This has become a 'chicken and egg' situation because people will not pay for services but are not provided with services until they pay (Cape Times 17 May, 1994).

For ease of analysis the average amount households living in different areas are paying for services is illustrated in the following diagram.

Figure 5.10
Average Monthly Household Payments for Housing and Utilities 1995.



Source: Project Migration Data 1995.

On average households are paying R157 per month for housing and R77 for the utilities they receive. In terms of housing payments (rentals and housing loans included), the highest payments are currently being made in the formal housing areas and in particular Khayelitsha. This may be attributed to the fact that these formal houses are more expensive than other forms of accommodation and hence rentals and monthly repayments are higher. By comparison, monthly housing payments are lowest in the hostels where they average R18 per month.

The monthly housing payments being made by households living in free-standing and backyard shacks are considerably lower than those in the formal housing areas. The reason for this is that these houses cost considerably less to build and hence households require smaller loans to obtain this form of accommodation. Moreover, these dwellings

do not command high monthly rents in comparison with those associated with formal houses. The highest monthly payments being made in this regard are evident in the peripheral ('other' housing areas) free-standing shacks (R67 per month).

With reference to the utility payments that are being made by households receiving basic services, the average monthly payment is R77. Again this amount is highest in the formal housing areas of Khayelitsha and LaGuNya although an average amount of R85 per month is also being paid by households living in the free-standing shacks of LaGuNya.

Housing Costs in Relation to Household Income.

In total 63 per cent of all households interviewed claimed to be making some form of monthly housing or utility payment. As indicated, the largest proportion of households making these payments resident the formal housing areas and hostels. Of importance however, is what degree of monthly households income is being directed towards these payments. The following table illustrates the percentage of households that claim to making these payments in each area and the percentage of monthly income that these payments constitute.

Table 5.19
Payments as a Percentage of Income 1995.

	Fshack			Hostel	Bshack	House	
	Peri	Khy	LGN	LGN	LGN	Khy	LGN
Pay*	46	38	6	82	34	100	92
% of Inc	4	7	7	4	8	35	12

Source: Project Migration Data 1995.

Note: Pay* refers to the percentage of households that claim to be making some form of housing and/or utility payment monthly.

On average, households are paying 16 per cent of their monthly incomes towards these costs. Households in the formal houses of Khayelitsha appear to be directing the highest proportion of their monthly incomes towards covering these costs (35 per cent of monthly income). By comparison, on average these costs constitute less than 10 per cent

of household income in most other areas and housing types. In conclusion, in terms of these costs formal houses are the most expensive and require a greater proportion of monthly income.

Of further importance is whether households are able realistically to expend greater proportions of their monthly income on housing. The following table reflects the relative proportion of households in each area and housing type who claimed that they could and could not afford to do so. The amount of money that they were able to redirect towards this end is also given (rands).

Table 5.20
Potential Housing Affordability 1995.

Additional Housing	Fshack			Hostel	Bshack	House	
Payments	Peri	Khy	LGN	LGN	LGN	Khy	LGN
Capable %	75	59	50	89	36	49	69
Incapable %	25	41	50	11	64	51	31
Capable Amount (R)	49	56	75	57	99	143	112

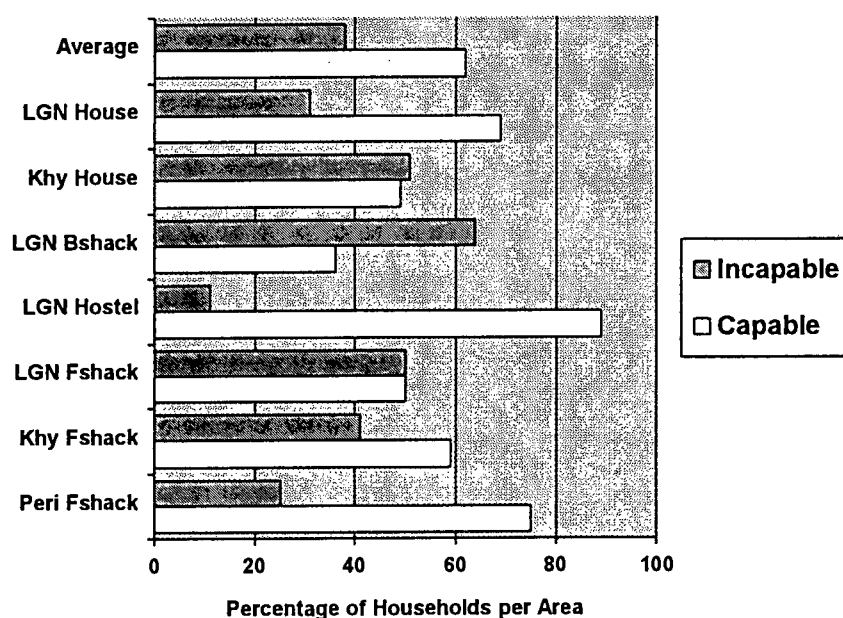
Source: Project Migration Data 1995.

Overall, 62 per cent of the black low-income households claimed that they could afford to pay more for housing while 38 per cent stated that they could not. In some instances households expressed the opinion that they were paying more for housing than they could afford to do so. The average amount households claimed they could afford to pay additionally each month was R91. However, this amount varied between households depending upon the amount of monthly income they earn. Those falling within the higher income brackets (earning more than R1500 per month) stated that they could afford an average additional amount of R211 per month while those falling within the lower income brackets (earning less than R1500 per month) quoted an average amount of R58 per month.

The highest proportion of households who claimed not be able to afford to pay more for housing reside in the backyard shacks of LaGuNya (64 per cent). Against this, the households living in the same area which stated that they could pay more recorded the third highest additional monthly payment amount (R99). This illustrates the diversity in household incomes and affordability levels that exist within the same housing areas.

In terms of the current housing policy it is significant that substantial portions of households living in the shack areas (informal housing areas) stated that they could not afford to pay more for housing each month (figure 5.11). The reason for this is that as already mentioned, the policy of incremental housing requires households living in shack dwellings to utilise their own financial resources to upgrade their dwellings. Without the ability to divert income towards this purpose, it is unlikely that households will be able to do so. This will be examined in more detail in the next chapter.

Figure 5.11
Household Ability to pay more for Housing each Month 1995.



Furthermore, 20 per cent of all households which stated that they could afford to pay more for housing said that the additional amount they could afford varied during the year and over time. These variations were related primarily to the availability of employment, financial problems, the absence of work bonuses and problems associated with the payment of shop accounts.

5.5 HOUSING NEEDS AND PREFERENCES.

Thus far a wide variability in household characteristics across geographic space has been revealed including household size and composition, monthly income, housing affordability levels and living conditions. The aim of this section is to highlight those differences that exist in terms of individual housing need and preferences. These differences are important because according to Spiegel *et al* (1994: 2), housing policy should attempt to take into account and cater for individual household needs and preferences if it is adequately to meet the realities of the housing crisis and satisfy the actual housing needs of those households involved. An understanding of these needs is imperative to the formulation of a policy based upon community participation and a 'bottom-up' approach towards solving the current low-income housing crisis. These needs therefore have direct policy implications (Spiegel *et al* 1994: 2).

5.5.1 Satisfaction with Present Dwelling.

Forty eight per cent of all households interviewed were either dissatisfied or very dissatisfied with their present accommodation. By comparison, 35 per cent claimed that they were satisfied and 17 per cent expressed an indifference to this question stating that they were neither satisfied or dissatisfied (table 5.21).

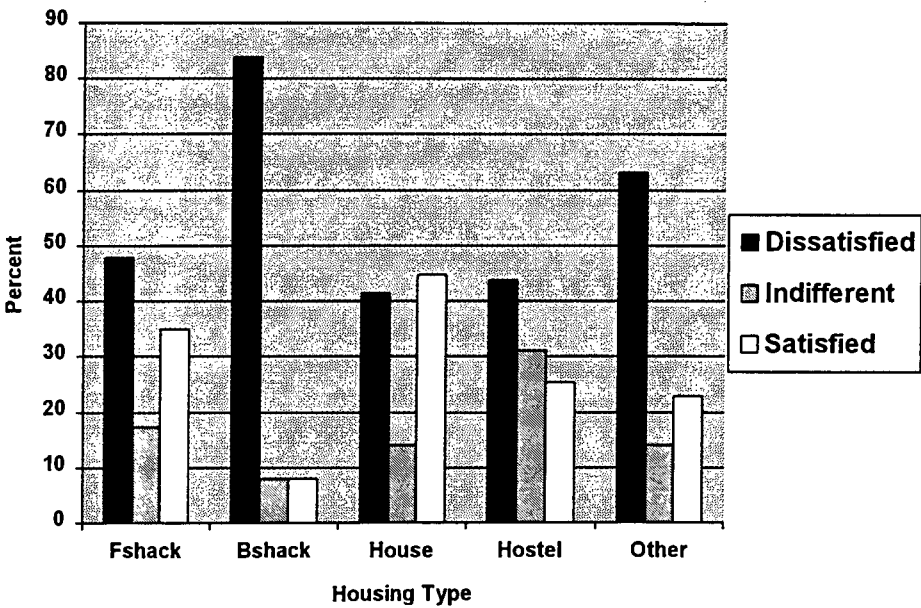
Table 5.21
Levels of Dwelling Satisfaction in relation to Housing Type 1995.

Satisfaction	Proportion of Households per Housing Type (%)					Total
	Fshack	Bshack	House	Hostel	Other	
Very Dissatisfied	28.9	56	21.7	15.5	43.9	27.5
Dissatisfied	18.9	28	19.6	28.2	19.3	20.2
Indifferent	17.4	8	14	31	14	17.1
Satisfied	30.8	8	20.4	18.3	15.8	24.9
Very Satisfied	4.1	-	24.3	7	7	10.3

Source: Project Migration Data 1995

In most cases the largest proportion of households in each housing type were either dissatisfied or very dissatisfied with their current dwellings. The highest levels of discontent were recorded in the backyard shack areas where over half of the households here (56 per cent) were very dissatisfied. By comparison, the highest incidence of overall satisfaction was in the formal housing areas where 45 per cent of households stated that they were either satisfied or very satisfied. The overall levels of satisfaction were also relatively high (35 per cent) amongst those households living in free-standing shacks. The following diagram depicts the overall levels of satisfaction or dissatisfaction for each of these housing types.

Figure 5.12
Overall Level of Dwelling Satisfaction per Housing Type 1995.



A large proportion of households within each housing type are dissatisfied with their dwellings and especially those living in free-standing and backyard shacks. The highest rates of overall dissatisfaction amongst shack dwellers were recorded in Khayelitsha and LaGuNya while the majority of shack dwellers living in other areas appear to relatively satisfied with their present dwellings.

5.5.2 Reasons for Overall Dissatisfaction.

The principal reasons why households are dissatisfied with their dwellings is because of the actual nature of these structures. Overall, 94 per cent of *dissatisfied* households stated that this was the reason. The remaining portion of this group (6 per cent) claimed that they were dissatisfied for a various other reasons, such as violence, crime, ‘bad’ neighbourhood, unhygenic environment and a lack of tenure. The following table illustrates the proportion of *dissatisfied* households in each housing type who claimed that they were dissatisfied with their dwellings because of the actual nature of these structures.

Table 5.22
Households Dissatisfied with the Nature of their Dwellings 1995.

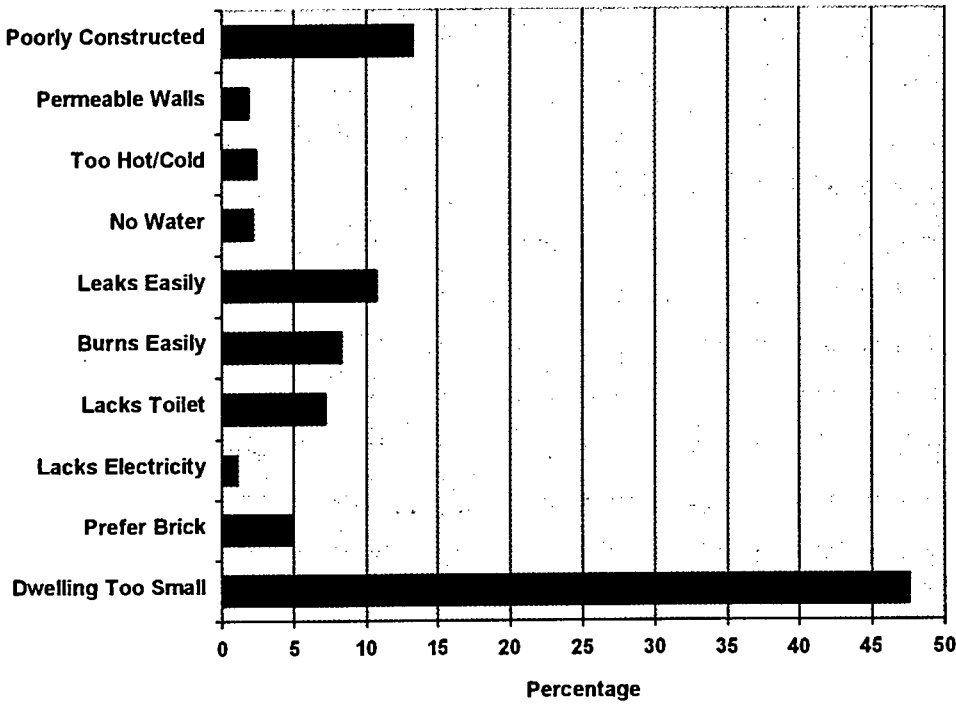
	Proportion of Households per Housing Type (%)				
	Fshack	Bshack	House	Hostel	Other
Dissatisfied Households*	91.5	90.4	97.9	87	100

Source: Project migration Data 1995

Note: * these figures only pertain to those households who stated that they were dissatisfied with their dwellings.

Evident in this table is the fact that within each housing type the majority of *dissatisfied* households claimed that the reason for this was the actual nature of their dwellings. Specific reasons for dissatisfaction are indicated in figure 5.13.

Figure 5.13
Reasons given for Dissatisfaction with Nature of Dwelling 1995.



The primary reason why these households were dissatisfied with their current dwelling was the fact that most considered their dwellings to be too small and thus overcrowded (48 per cent of households dissatisfied with dwelling). Furthermore, households with less overcrowding appear to be twice as likely to be satisfied with their dwelling than those with overcrowding.

Of households that identified the primary reason for their dissatisfaction as being inadequate size and overcrowding:

- 1) 25 per cent live in free-standing shacks,
- 2) 68 per cent live in backyard shacks,
- 3) 63 per cent live in formal houses,
- 4) 96 per cent live in hostels,
- 5) 76 per cent live in other forms of accommodation.

Consequently, the issue of overcrowding was the principal cause of dissatisfaction primarily amongst hostel dwellers although many households living formal houses, backyard shacks and 'other' forms of accommodation also identified this issue. The main causes of dissatisfaction amongst households living in free-standing shacks were leaking, a lack of services, overcrowding, poor construction, the risk of fire and the fact that they preferred brick houses.

In conclusion, it is evident that the principle cause of dissatisfaction amongst households was the nature of their dwellings and in particular the fact that they were too small and overcrowded. This was true for all housing types except in the case of free-standing shacks where other factors pertaining to the actual structure of their dwellings dominated.

5.5.3 Demand for Formal Housing.

In order to assess the overall demand and need for formal houses, households were asked to prioritise their specific development needs (such as housing, services, employment and education). These development needs in order of priority will be examined at a later stage in this section. However, in brief, research indicated that some 85 per cent of all households stated that housing was a development need (Table 5.23).

Table 5.23
Formal Housing as a Development need in relation to Housing Type 1995

Housing as a Development Need	Proportion of Households per Housing Type (%)				
	Fshack	Bshack	House	Hostel	Other
Articulated	91.6	100	70.2	90.1	77.2
Not Articulated	8.4	-	29.8	9.9	22.8

Source: Project Migration Data 1995

In all cases the majority of households indicated that housing was a development need. This was particularly apparent among households living in backyard shacks, free-standing shacks and hostels where in each case over 90 per cent of these households claimed that they needed of formal housing. Whilst the level of demand for formal housing was also high amongst households living in formal houses (due to the creation of new households) and 'other' housing types (many of which are by nature permanent structures), the level of need is not as great as among households living in the remaining housing types. This may be attributed to the fact that these households already live in formal accommodation and hence placed greater emphasis upon other development needs such as employment and education (this will be demonstrated in the following section).

5.5.4 Overall Development Needs.

While formal housing was articulated by the majority of households interviewed during this survey as one of their development needs a number of other needs were also identified. This information is important to decision makers involved in attempting to develop the black residential areas as they have implications upon how resources should be allocated in order to ensure that communities receive the form of development they require. Table 5.24 indicates the development needs of households living in different housing types.

Table 5.24
Principle Development Priority of All Households in relation to Housing Type 1995.

Primary Development Need	Proportion of Households per Housing Type (%)					Total
	Fshack	Bshack	House	Hostel	Other	
Housing	58.5	52	48.5	64.8	50.9	55.6
Amenities	11	8	3.4	5.6	1.8	7.6
Income/Jobs	21.5	24	24.3	15.5	26.3	22.2
Educ/Training	3.8	-	15.5	5.6	15.8	6.2
Health Centres	0.7	-	26.3	1.4	-	1
Facilities	2.6	8	7.2	-	3.5	4
Other	1.9	8	6	7	1.8	3.7

Source: Project Migration Data 1995

A large proportion of households indicated that housing and income (including employment) were their principle development needs. Relatively few hostel dwellers referred to income and employment as a principle development need. This may be attributed to the fact that many are already employed (85 per cent of all hostel dwellers have jobs). Moreover, a relatively larger proportion of households living in formal houses (and to an extent 'other' dwelling types) placed emphasis upon the need for education and training, health centres and other facilities. This illustrates the difference in needs between households living in formal houses and those in free-standing and backyard shacks. The relative poverty between these housing types is demonstrated in

this way. In addition, the lack of basic services in the free-standing shack areas is also illustrated by the fact that 11 per cent of these households indicated the need for these amenities. Relatively fewer households in the remaining housing types stated this need.

5.5.5 Perceived Benefits of Relocation.

In summary, the majority of households were dissatisfied with their dwellings largely because they were perceived to be too small and overcrowded. Partly for this reason most households also expressed a need for formal accommodation. Given this, households were then asked whether they perceived relocating to a different area to be the solution to these problems and if so, what form of accommodation they would prefer. The responses to these questions provide an insight into the type of accommodation sought by these households and the tenure arrangements they prefer.

Reasons for Relocating.

The following table reveals the proportion of households which have considered moving as a means to improving their living conditions. In addition, the table also depicts the perceived benefits of relocation.

Table 5.25
Perceived Benefits of Moving 1995.

Relocation Alternative	Proportion of Households per Housing Type (%)					Total
	Fshack	Bshack	House	Hostel	Other	
Have Considered	26.5	52	20.4	23.9	28.1	25.4
Perceived Benefit*						
Structure/Services	55.9	23.1	25	35.3	37.5	43.4
Improved Space	27.9	53.8	68.8	64.7	56.3	44.4
Safety	16.2	23.1	6.3	-	6.3	12.2

Source: Project Migration Data 1995

* These figures pertain only to households which have considered moving.

Overall, one quarter of all households have considered moving to a different location and dwelling as a means of solving their current housing needs and dissatisfaction. This is most apparent among households living in backyard shacks, 52 per cent of whom have considered this alternative.

The benefits of relocation are generally perceived to be increased space and comfort (thereby alleviating the problem of overcrowding) and the acquisition of a 'better' house with additional amenities. The need for a 'better' house with amenities was most apparent amongst those households residing in free-standing shacks. The need for increased space was expressed by the majority of households living in backyard shacks, formal houses, hostels and 'other' forms of accommodation. Few households placed emphasis upon improved safety and security.

Type of House Sought.

Table 5.26 indicates the type of house desired by households which had considered relocating to a different area as a means of improving their living conditions.

Table 5.26
Preferred Housing Type 1995.

Housing Type	Proportion of Households per Housing Type (%)					Total
	Fshack	Bshack	House	Hostel	Other	
Brick/block	65.8	46.2	35.4	70.6	43.8	56.1
Large house	23.4	38.5	47.9	17.6	31.3	30.2
House with Services	5.4	-	10.4	-	12.5	6.3
Shack	2.7	-	-	-	-	1.5
Other	0.9	7.7	6.3	-	6.3	2.9

Source: Project migration Data 1995

Most households which had considered moving indicated that they would prefer to obtain a formal brick or black house. This was especially prevalent amongst households in the free-standing shacks, hostels and the backyard shack areas. A large proportion of

households living in backyard shacks also expressed the need for 'large' houses. Overall, the need for 'large' houses was the second most common response to this question (30 per cent of all households who have considered moving stated this desire). This indicates that not only do households desire formal houses but that they would prefer these houses to be 'large' and of a size capable of housing many people (family members and possibly extended family). This is important when considered against the fact that the current housing policy intends providing houses with only two bedrooms and a floor area of 24 square metres (Argus 21 May, 1994). Houses of this size may not therefore meet the needs of a significant proportion of this population. This will be discussed further in the next chapter.

Of the total number of households which had considered moving, the primary reason for choosing these housing types (formal houses and large houses) was the availability of amenities and infrastructure (an opinion expressed by 38 per cent of this group). Many households also stated that the reason for choosing these housing types was increased space and quality (31 per cent) and safety (20 per cent).

Preferred Tenure.

The following table examines the specific tenure arrangements that households which had considered relocation as an option would prefer if they were able to attain those houses they desired.

Table 5.27
Preferred Housing Tenure Arrangements 1995.

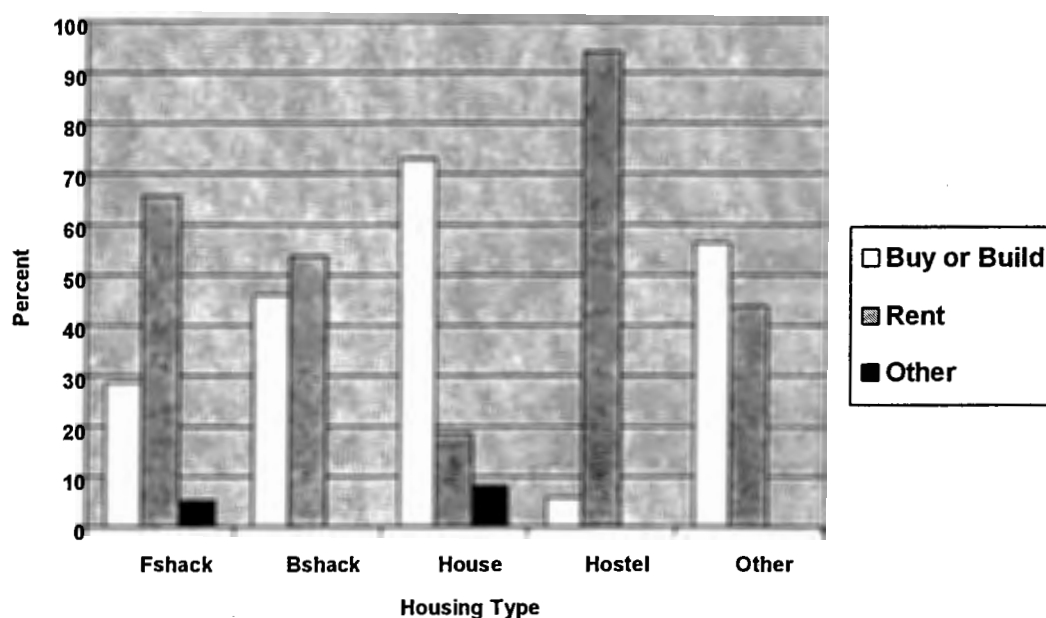
Tenure Arrangement	Proportion of Households per Housing Type (%)					Total
	Fshack	Bshack	House	Hostel	Other	
Buy or Build	28.8	46.2	72.9	5.9	56.3	40.5
Rent	65.8	53.8	18.8	94.1	43.8	54.6
Other	5.4	-	8.3	-	-	4.9

Source: Project Migration Data 1995

Significantly, over half of these households would prefer to rent the accommodation they desire, as opposed to 40 per cent preferring to buy or build a house. This is particularly significant as the policy of incremental housing is aimed at the provision of formal houses over which households have secure tenure and ownership. Consequently, if one assumes that the above statistics represent the tenure needs of all black low-income households within the Cape Metropolitan Area, it is evident that the provisions made in this policy do not coincide with the actual needs of at least 50 per cent of the households involved. This point will be examined later.

For ease of analysis, these findings as they pertain to each housing type are displayed graphically in the following diagram.

Figure 5.14
Preferred Housing Tenure Arrangements by Housing Type 1995.



The preference to rent was most strongly expressed by households living in free-standing shacks and hostels (66 per cent and 94 per cent respectively). While the proportion of households living in backyard shacks wishing to rent was higher than those preferring to buy or build a house this was only marginal. The reverse was true of households living in

'other' forms of accommodation. Most households living within formal houses stated that they would prefer to buy or build a house rather than rent. Concomitantly, a significant number of these households (19 per cent) claimed that they would prefer to rent. The reasons why many households prefer to rent will be discussed later.

Hence, it is apparent that of those households which have considered moving to a different location in order to improve their living conditions, most would like to obtain either a formal house and/or a large house at this new location. It is perceived that these forms of accommodation offer increased space (therefore less overcrowding), safety and greater access to amenities (basic services). Moreover, except in the case of a significant portion of households living in formal houses, most of the households would prefer to rent accommodation.

Constraints Preventing Relocation.

While 25 per cent of the total number of households interviewed have considered moving, only 20 per cent of this group have actually made any effort to do so. The highest proportion of households which have done so presently live in shacks in what have been referred to as 'other' or peripheral locations (47 per cent) while the lowest occurred in the shack areas of Khayelitsha, where only 7 per cent of this group have made an effort to move.

The primary reason for this is that most of these households (71 per cent) are currently faced with financial constraints which prevent them from doing so. Table 5.28 illustrates the proportion of households within this group and within different housing types who are being constrained in this manner.

Table 5.28
Constraints Preventing Relocation 1995.

Constraints	Proportion of Households per Housing Type (%)					Total
	Fshack	Bshack	House	Hostel	Other	
Financial	80.2	69.2	60.4	41.2	75	71.2
Other	19.8	30.8	39.6	58.8	25	28.8

Source: Project Migration Data 1995

Most households constrained in their ability to relocate because of a lack of finance live in the free-standing shack areas where 80 per cent of households who have considered moving are being hampered in this manner. In contrast, relatively few hostel dwellers are being constrained in this way. Most of these individuals claimed to be constrained by the lack of available housing and high paying jobs.

Furthermore, it was the opinion of 46 per cent of households that the most suitable way of overcoming these constraints was either to earn higher incomes or save. Relatively few households stated that they would prefer to obtain a grant or loan with which to cover the costs associated with moving. This has important implications in terms of the current housing policy as it indicates that many low-income households may be reluctant to attempt to obtain additional finance over and above their subsidy allocation with which either to buy or build a formal house or upgrade their current dwellings. The rate of formal housing provision may be limited in this way.

5.6 HOME IMPROVEMENTS.

The term 'home improvements' refers to any structural changes that households may have done, or are planning to do, with a view to improving their present dwellings and living conditions. The aim of this section is to examine the type improvements that have been made and to outline the factors that constrain households in their ability to do so. This is considered important in terms of the current housing policy as it reflects the ability and willingness of households to upgrade and improve their present dwellings.

While it is acknowledged that structural improvements between various housing types (notably shacks and formal houses) may be qualitatively different in absolute terms it is considered that despite this, such improvements do reflect some degree of commitment on behalf of households towards improving their housing and living conditions.

5.6.1 Recent Structural Home Improvements.

In response to a question directed towards ascertaining whether households had made any structural improvements to their dwellings in the past 2 years, 76 per cent of all households stated that they had not while 24 per cent claimed that they had. Table 5.29 illustrates the proportion of households living within each housing type who stated that they had or had not made such improvements.

Table 5.29
Proportion of Households in each Housing Type that have made Structural Improvements to their Dwelling in the Past Two Years 1995.

Structural Improvements ?	Proportion of Households per Housing Type (%)					Total
	Fshack	Bshack	House	Hostel	Other	
Yes	24.1	16	36.2	-	7	24
No	75.9	84	63.8	100	93	76

Source: Project Migration Data 1995

The majority of households in each housing type have not made any structural improvements to their dwellings or properties in the past two years. Nevertheless, a significant minority proportion of households living in formal houses, free-standing shacks and backyard shacks have made improvements. It is apparent that a larger proportion of households living in formal houses have made improvements as opposed to those living in free-standing shacks and backyard shacks.

With regard to the types of improvement that have been made by households stating that they had done so, most (52 per cent) had made some form of extension to their dwelling in order to increase its size. This was particularly evident amongst households living in free-standing shacks (55 per cent) and backyard shacks (50 per cent), although the majority of households living in formal houses had also done so (48 per cent). This reflects the need for increased space, which as already mentioned, was a principal need expressed by many households.

A number of households also stated that other forms of improvement had been made. In general, these varied according to particular housing types. Many households living in free-standing and backyard shacks stated that they had made improvements to their floors, ceilings, and roofs and that many had had to rebuild their dwellings (17 per cent living in free-standing shacks) and repair leaks. In contrast to this, while households living in formal houses had not made these types of improvements, many had renovated their houses, painted, plastered and made improvements to the property upon which their dwellings were located.

In terms of who had made these improvements, overall 52 per cent of households stated that they had done so themselves or with the help of other family members and relatives. Conversely, 40 per cent stated that they had hired labour to do so while 8 per cent had made use of friends and neighbours.

The use of hired labour was most prevalent amongst 54 per cent of households living in formal houses although 50 per cent of those living in backyard shacks had also done so. Of those households residing in free-standing shacks, a relatively small proportion had made use of hired labour (27 per cent), the majority having made such improvements with the help of family and relatives (62 per cent). At the same time, 50 per cent of households living in backyard shacks and 39 per cent in formal houses had also been assisted by family and relatives.

Debts Incurred through Home Improvements.

Table 5.30 reveals that the majority of households (90 per cent) have not been placed in a position of debt as a result of the cost of these improvements. However, 13 per cent of households living in free-standing shacks did incur debt.

Table 5.30
Proportion of Households Incurring Debts through Home Improvements 1995.

Debts Incurred	Proportion of Households per Housing Type (%)					Total
	Fshack	Bshack	House	Hostel	Other	
Yes	12.6	0	8.6	0	0	10.4
No	87.4	100	91.4	0	100	89.6

Source: Project Migration Data 1995

It may be assumed that the majority of households are carrying out improvements utilising such disposable income that they may possess. In addition, it is possible to conclude that these households have also not obtained financial assistance from private sector institutions. Whether the reason for this is that these households have not been able to qualify for loans, or that they do not require such loans is not apparent.

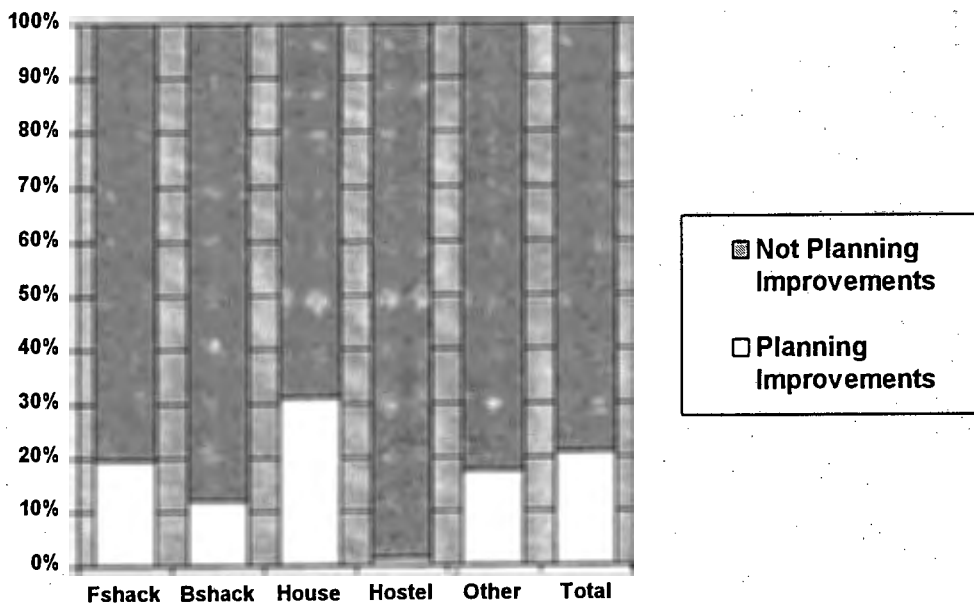
5.6.2 Future Home Improvements.

Of particular importance to this study and indeed the issue of upgrading are the future home improvements that households are planning to make. Thus the number of households who are planning to make improvements, the nature of these improvements and the constraints upon the ability of households to upgrade their dwellings and make such improvements has been investigated.

Proportion of Households Planning to Improve their Dwellings.

Overall, 79 per cent of households stated that they were not planning to make any improvements to their dwellings do so. Conversely, 21 per cent of all households claimed that they were planning to do so. The proportion of households within each housing category planning to make improvements are depicted in the following diagram.

Figure 5.15
Proportion of Households within Each Housing Type Planning to Make Future Home Improvements 1995.



The largest proportion of households in each housing category planning to make improvements reside in formal houses (31 per cent) and free-standing shacks (20 per cent). Furthermore, the proportion of all households planning to make improvements in the future (21 per cent), is less than the proportion of those who have already done so in the past two years (24 per cent).

Reasons for Not Planning Future Improvements.

The reasons given by households not planning to improve their dwellings (79 per cent) are outlined in the following table. In general, most households not planning to make improvements claimed that the reason for this was a lack of finance and that they could not afford to do so (47 per cent). Those (33 per cent) responding 'not appropriate' implied that that either they did not own the dwelling in which they live (most notably in the case of hostels dwellers and those in backyard shacks), or that they did not consider it to be important (households living in 'other' housing types). A further 15 per cent of these households stated that there was no need to do so.

Table 5.31
Reasons for not wanting to make Home Improvements 1995.

Reasons	Proportion of Households per Housing Type (%)*					Total
	Fshack	Bshack	House	Hostel	Other	
Not Appropriate	31.5	54.5	14.1	84.3	27.7	33.3
Unaffordable	50.4	18.2	57.1	7.1	59.6	46.9
No Space	5.6	22.7	1.8	2.9	4.3	4.9
No Need	12.5	4.5	27	5.7	8.5	14.9

Source: Project Migration Data 1995

* Note: these statistics pertain only to households not planning to make future improvements.

Significantly, most households stated that they were unable to afford to improve their dwellings. Exceptions to this are evident in the case of households living in hostels and backyard shacks where the most common explanation given was that improvements were inappropriate as they did not own the dwellings in which they live. A significant number of households in backyard shacks also reasoned that they did not have the space in which to improve their dwellings. The probable reason for this is that these dwellings are by nature located upon the property of an existing formal house and therefore households in backyard shacks are limited in the amount of space their dwelling can occupy.

In addition, there appears to be a positive relationship between home ownership and the desire to improve one's dwelling. More specifically, a greater proportion of households wishing to improve their dwellings are home owners. At the same time however, 17 per cent of households which do not own their dwellings stated that they intended improving these structures. These results are depicted in the following table.

Table 5.32
Proportion of Home Owners wanting to Improve their Dwellings 1995.

Improve Dwelling	Proportion of Households (%)	
	Own Dwelling	Don't Own Dwelling*
Yes	22.8	16.9
No	77.2	83.1

Source: Project Migration Data 1995

With regard to the relationship between monthly income and planned future improvements, these results are displayed in table 5.33. Relatively a larger proportion of households falling within the higher income bracket are planning to make improvements (34 per cent) than those falling within the very low-income bracket (21 per cent).

Table 5.33
Proportion of Households within each Income Bracket Planning to make Future Home Improvements 1995.

Planning Improvement	Proportion of Households per Income Group (R)			
	0-800	801-1500	1501-2500	2500+
Yes	20.5	17.9	21.2	33.8
No	79.5	82.1	78.8	66.2

Source: Project Migration Data 1995

* The figure of 16.9 per cent indicating that these individuals were willing to improve their dwellings despite not owning them and given that they were not permitted to do so as tenants in the past could be attributed to the expectation of transfer of ownership of the dwellings to themselves in terms of the policies mentioned on page 79.

It is evident that relatively more households earning higher monthly incomes are planning to make improvements to their dwellings than those households earning lower incomes. Thus it is possible to conclude that household income represents a significant factor in determining the willingness and ability of households to improve and upgrade their dwellings.

In addition a greater proportion of households dissatisfied with their present dwellings are planning to make future improvements than those households which are satisfied. More specifically, 24 per cent of dissatisfied households are planning to improve their dwellings as opposed to 17 per cent of satisfied households.

In conclusion, it is evident that the willingness and ability of households to improve and upgrade their dwellings largely depends upon their degree of satisfaction, tenure arrangement and the amount of income they receive monthly (which determines the amount of disposable income households have and which may be used for upgrading). In short, households receiving higher monthly incomes, who own their dwellings and who are at the same time dissatisfied with their dwellings are more likely to upgrade and improve these structures.

Type of Planned Improvement.

As regards the type of future improvement envisaged by households *planning to do so*, 66 per cent stated that they wanted to extend their dwellings. Twelve per cent claimed that they planned to rebuild their dwellings although this was mainly confined to households living in free-standing shacks where 23 per cent expressed this desire.

The intention to extend their present dwellings was particularly evident amongst backyard shack dwellers planning to make home improvements, 100 per cent of whom stated that they planned to make this form of improvement. Furthermore, 70 per cent of households living in formal houses and 90 per cent living in 'other' forms of

accommodation also expressed this intention. The proportion of households planning to make this form of improvement was smallest amongst free-standing shack dwellers (57 per cent). This reiterates the fact that most households are concerned with the size of their dwellings and that this is a primary source of discontent.

Payment of Improvement Costs.

When questioned as to how the cost involved in these planned improvements would be met, 53 per cent of households stated that they were unsure and did not know. In addition, 24 per cent claimed that they would earn the necessary money. Fourteen per cent said that they would attempt to obtain a loan and 9 per cent stated that they would save that finance needed. The following table illustrates the means by which households intend paying for improvements in relation to housing type. Please note that these statistics pertain only to households planning to make improvements.

Table 5.34
Source of Finance to Pay for Planned Home Improvements 1995.

Method of Finance	Proportion of Households per Housing Type (%)				Total
	Fshack	Bshack	House	Other	
Uncertain	62.2	66.7	41.1	60	53.3
Earn	28	33.3	20.5	10	23.7
Save	6.1	-	12.3	10	8.9
Loan	2.4	-	26	20	13.6
Other	1.3	-	-	-	0.6

Source: Project Migration Data 1995

The largest proportion of households in each housing type are uncertain as to how the costs involved in improving their dwellings will be met. This illustrates the fact that these households do not have the funds needed although they would like to carry out these improvements. This financial constraint is not limited only to those households who

stated that they did not know how they would pay. Significant proportions stated that they would have to either save the money needed or attain a home loan. This indicates that these households also do not presently have the necessary funding available.

This is important in terms of the current housing policy as it indicates that many households may not be able actively to take part in the upgrading process as they do not have the funds available with which to do so (particularly households which may have utilised their subsidy assistance to obtain a serviced site).

It is also evident that relatively few households living in free-standing shacks and backyard shacks view loans as an option to paying these improvement costs. To a lesser extent, this is also true of households living in formal houses. While the reasons for this are unclear, it may be that these households are not willing to have to redirect a portion of their monthly incomes towards the repayment of these loans or are unable to afford to do so. Nevertheless, this has important implications regarding the current housing policy which places emphasis upon the fact that households borrow money in order to construct formal accommodation and upgrade their dwellings. The information above suggests that many households may be unwilling to obtain private sector credit.

Furthermore, it is also evident that few households view savings as a viable option to acquiring the finance needed to cover the costs of home improvements. Once again, although the reasons for this are unclear it is possible that most households do not earn enough income to be able to save. In addition, households may have other more immediate material priorities relating to their quality of life. Frequently the interiors of shacks are relatively well appointed for instance. Expenditure of this kind may also limit the degree to which households are able to save in order to improve their dwellings.

5.7 MIGRATION AND MOBILITY CHARACTERISTICS.

As indicated earlier in this study, in the absence of an indigenous urban tradition, most blacks within South African cities and town have migrated to these locations from outlying rural areas in search of employment and the 'opportunities' inherent within urban areas (Lemon 1991: 1). The process of black urbanisation and rural-urban migration has been an important issue in the historical development of South African urban space and the black residential areas located within the urban environment. Over the past a number of policies were introduced by the State to control and limit this process, the most notable example being the Influx Control Acts which were introduced in 1923 and 1952. The establishment of the 'homelands' during the 1960's sought to further entrench the process of black migration to the urban areas. Today this process is manifest in the fact that blacks continue to move to the urban areas for protracted periods of time in search of employment and improved quality of life while actively maintaining links with the rural areas. Moreover, what has become apparent in recent years is an increasing degree of migration between different locations within the urban areas themselves. The reasons and motivations underlying this intra-urban migration are largely unknown and a number of studies have been directed towards this phenomenon. The Urban Problems Research Unit (UPRU) at the University of Cape Town is for example presently conducting research into this issue.

The aim of this section is to examine the migratory and mobility characteristics to black low-income households in the Cape Metropolitan Area in order to ascertain the implications they may have upon the current housing policy and need for housing. The possible implications of this will be discussed in more detail later.

5.7.1 Past Mobility.

With regard to the past mobility of households interviewed, it is important to note that these responses refer only to household heads. In general it was ascertained that the majority of household heads were born in the rural areas (65 per cent) although a large proportion were born in urban 'townships' (20 per cent). Those remaining were born in another town or in an informal housing area (squatter settlement).

Most first arrived in Cape Town here before 1980 (35 per cent). Roughly equal portions arrived between 1981 and 1991 constituting in total approximately 46 per cent of this population. Hence a relatively small proportion of these heads have arrived since 1991 (19 per cent) most of which were shack dwellers. The fact that most of these later arrivals were shack dwellers is an indication of the lack of formal housing in the black residential areas. On arrival, it appears that the majority of these household heads (53 per cent) began living in a formal black 'township' (most of whom arrived before 1991), while 36 percent first settled in the informal housing areas. Those remaining initially settled in nearby towns (for example Stellenbosch and Paarl) or the suburban areas.

5.7.2 Recent Mobility.

The recent mobility of households in these low-income black areas is especially pertinent to this study as it reflects the overall tendency of these households to be mobile. As already mentioned, the majority of household heads were not born in the Cape Metropolitan Area but have moved here from outlying rural locations (particularly the Eastern Cape). Most household heads have had on average 3.3 residences prior to occupying their present dwelling, while 43 per cent of male heads have had 4 or more prior residences. On average, 1.9 of these prior residences have been located within the Cape Metropolitan Area. Hence, in general most of these heads are mobile and have significant past migration histories. Moreover, it is important to note that much of the

demand for housing is driven from within the Metropolitan Area and is not solely a consequence of rural-urban migration.

Previous Residence.

Table 5.35 depicts the type of accommodation that these household heads lived in before their current dwellings. Prior to their present dwellings, most of these heads lived either in an informal squatter shack (38 per cent) or a formal house (30 per cent). Of those household heads currently living in free standing shacks, 21 per cent had previously been residing in a formal house. This is also true for a number of other housing types such as backyard shacks, where 24 per cent of households currently living in this form of accommodation previously lived in formal houses. Furthermore, of those households which originally lived in formal accommodation, 49 per cent have moved to alternative dwelling types. While the reasons underlying these relocations were not ascertained during the survey, it is possible that they were the result of financial setbacks or the creation of new households (for example children moving out of their parents formal house to establish their own households) This phenomenon reflects the fact that many households perceive informal settlements to be a realistic solution to the current housing problem and the lack of formal housing regardless of the types of dwelling in which they may have resided prior to their current dwelling.

Table 5.35
Preceding House Type in Relation to Current Housing Type 1995.

Previous House	Proportion of Households per Housing Type (%)					Total
Type	Fshack	Bshack	House	Hostel	Other	
Unspecified	5.3	-	2.6	18.3	1.8	5.2
Rural	5.5	12	1.7	14.1	8.8	5.6
Squatter Shack	49.2	40	32.33	5.6	15.8	37.8
Outside Room	10	20	6	5.6	12.3	8.9
Hostel	9.5	4	6.8	35.2	29.8	12.3
Formal House	20.5	24	50.6	21.1	31.6	30.2

Source: Project Migration Data 1995

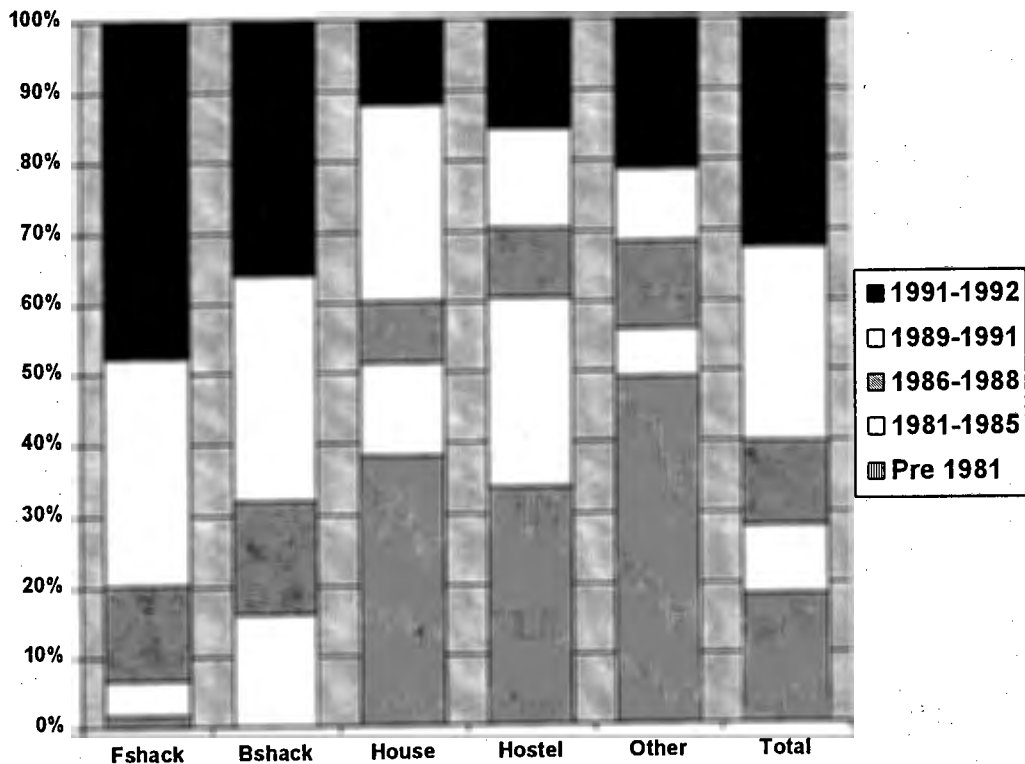
It is evident that not only are many of households actively mobile but that in addition to this, there is also a considerable degree of mobility between different housing types. This is reflected by the fact that 20 percent of households living in free-standing shacks have moved there from formal houses and 32 percent of households living in formal houses were living in free-standing shacks.

Year began Living in Current Dwelling.

Figure 5.16 illustrates the year in which households began living in their present dwellings. The majority of households have moved to their present dwellings since 1989 (60 per cent) with a significant number having lived there since 1992. Prior to this date, 18 per cent resided in their current dwelling since before 1981 while only 10 per cent moved there between 1981 and 1985, and 12 per cent between 1986 and 1988. This indicates that most households have moved to their current dwellings recently.

It is evident that most free-standing and backyard shack dwellers moved to their present residences after 1989, with significant numbers of these households having moved here since 1992. This may be attributed largely to increased levels of in-migration into the Cape Metropolitan Area since the abolition of influx control in 1986 and the lack of formal accommodation. Consequently, most of these households have been forced to find accommodation in these informal 'shack' areas. In contrast, most households living in formal accommodation moved into their dwellings before 1981 (38 per cent). This illustrates the relative stability of these households. The same may be said for hostel dwellers and those living in 'other' forms of accommodation.

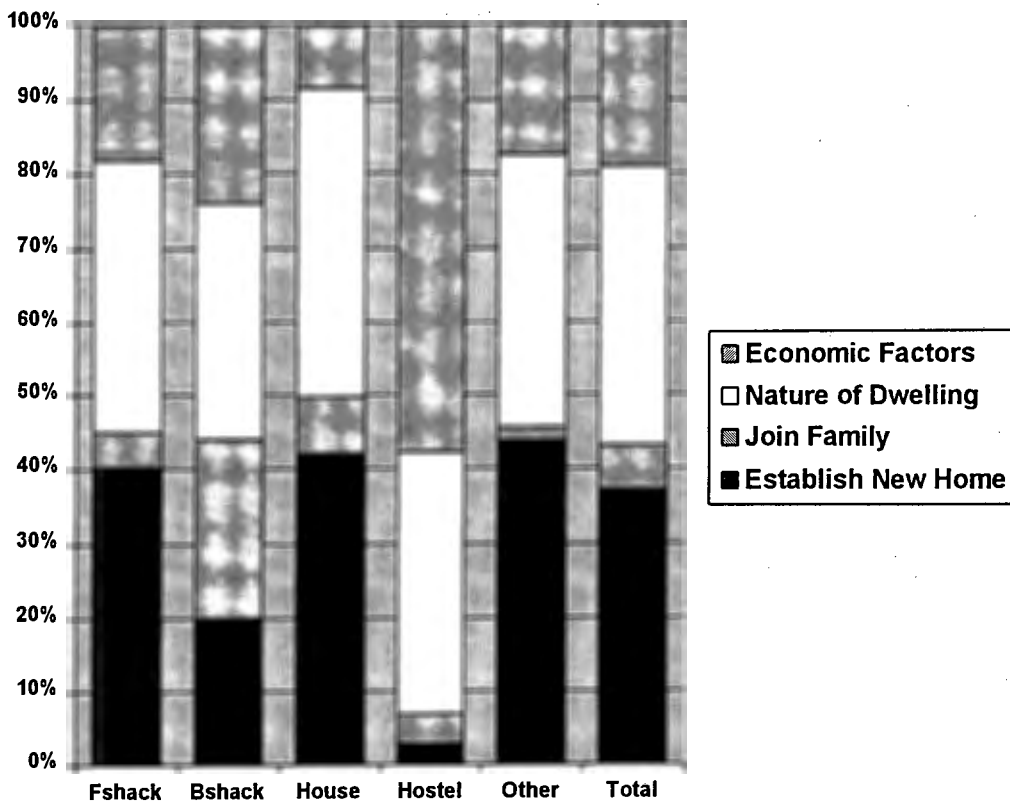
Figure 5.16
Year Household Head Moved to Present Residence
in Relation to Housing Type 1995.



Reasons for Moving to Current Dwelling.

Overall, the principle reasons given by household heads for moving to their current dwellings were to establish new accommodation (37 per cent) and because they favoured the nature of the particular dwelling they chose (38 per cent). With regard to the former reason, this was particularly apparent among households living in free-standing shacks, 40 percent of whom stated that this was the reason. The proportion of household heads within each housing category which advanced reasons for moving are illustrated in the following diagram.

Figure 5.17
Reasons for Moving to Current Dwelling in Relation to Housing Type 1995.



This suggests that a large proportion of the household heads in each housing type moved to their present location because they favoured the nature of the dwellings there. Thirty seven per cent of households living in free standing shacks and 32 per cent of those in backyard shacks also stated this as their primary motivation. Consequently, one may assume that apart from the current lack of formal houses many of the households living in these two housing types have actually chosen to live in these areas and housing types.

Many heads also chose their present housing type for economic reasons (employment related or lower living costs). This is particularly apparent amongst heads living in hostels and illustrates the fact that most migrants have moved to the Cape Metropolitan Area for employment reasons.

In conclusion, of those household heads currently living in free-standing and backyard shacks, although many have chosen to live in these dwellings for economic reasons or because they are new to the urban areas and have been forced to do so because of the lack of available formal housing, many have actually chosen to do so. It is also evident that many of these households are from the rural areas and have lived in a number of dwellings prior to that in which they currently live. Given this, it is possible that many of these particular households actually prefer informal shack accommodation. The reason for this may be that these dwellings offer these households greater 'flexibility' in the way that they complement their migratory lifestyles, allowing them to easily relocate between different areas (within or outside the Metropole) in accordance with the availability of employment and other income earning activities. The possible implications of this upon the current housing policy will be examined later.

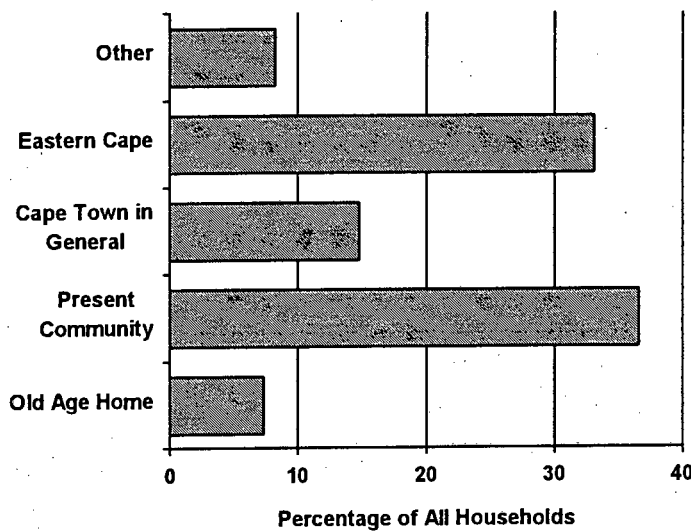
5.7.3 Future Mobility.

The future mobility of households has relevance for the point made at the end of the previous section and may also have implications for the effectiveness of the current housing policy. Thus an examination of the possible future mobility of urban black households has relevance.

Place Considered Home and Preferred Retirement Location.

Figure 5.18 depicts the relative proportions of the entire sample population who preferred different locations in which to retire. The largest proportion of households stated that they would like to remain within their present communities (37 per cent), but 33 per indicated that they would prefer to return to the Eastern Cape.

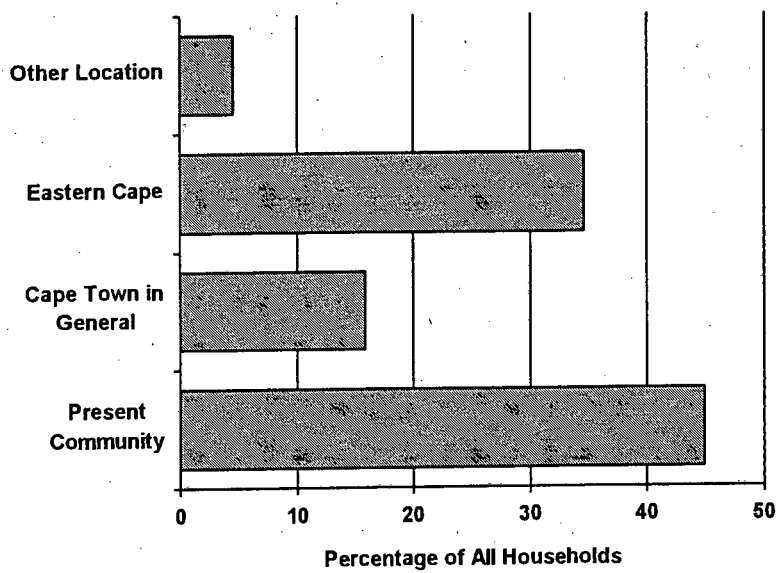
Figure 5.18
Preferred Retirement Location of All Households 1995.



It is evident that many of households would like to retire in the Eastern Cape and do not therefore intend living in the Cape Metropolitan Area for the whole of their lives. These sentiments were expressed by the largest proportion of households living in the free-standing shack areas (36 per cent), and those living in hostels (56 per cent). This reflects the mobility of many of these households and the migratory nature of their lifestyles. The desire to stay in their present communities was mainly expressed by a large proportion of households currently living in formal houses (47 per cent) and backyard shacks (52 per cent).

Concomitantly, there is a positive relationship between the number of households who would prefer to retire in different locations and the area they consider to be 'home.' This is illustrated by the fact that while 33 per cent of all households indicated that they would prefer to retire in the Eastern Cape, 35 per cent stated that this was the area that they considered to be 'home.' Consequently, it is possible to conclude that roughly one third of all black low-income households within the Cape Metropolitan Area do not intend remaining for the duration of their lives. The following diagram illustrates the areas considered 'home' by this sample population and the relative proportions which favoured each location.

Figure 5.19
Locations Considered to be 'Home' 1995.



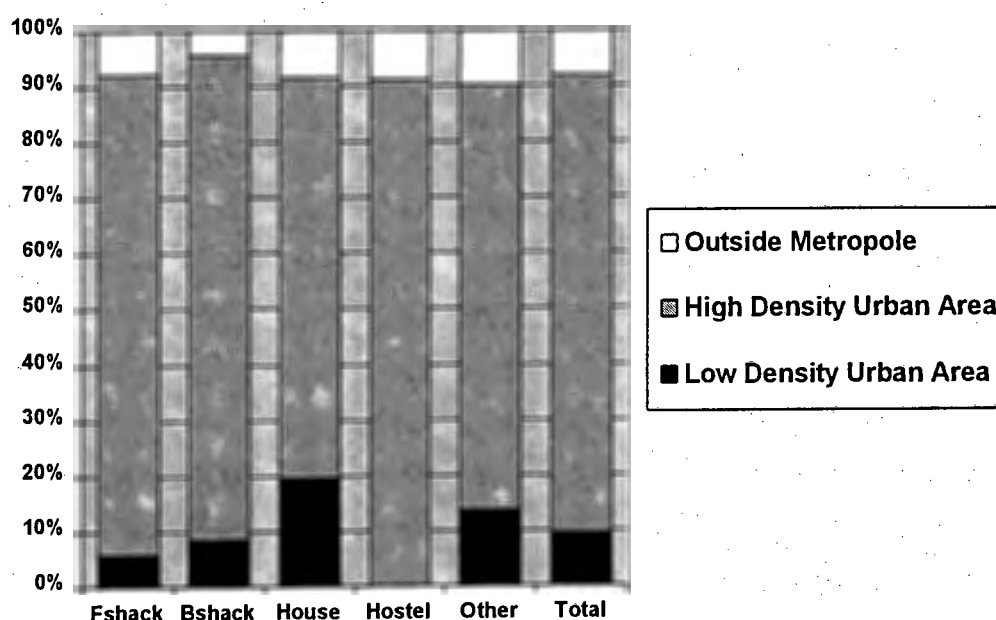
The principle reasons given for these choices include the fact that most households stated that they felt 'settled' at their particular choice of location (65 per cent) and that it was where their family and/or 'ancestors' lived (27 per cent).

Seventy per cent of all individuals living in hostels stated that the Eastern Cape was their 'home.' This illustrates the fact that most of these individuals are migrants and are located in the Cape Metropolitan Area on a temporary basis only.

Preferred Subsidy Location.

The majority of households (75 percent) stated that they would prefer to use their housing subsidy grant in a high density suburb or area (i.e. former black 'township'). The following diagram depicts the results of this question.

Figure 5.20
Preferred Location for Use of Subsidy 1995.



However, 9 per cent of this population claimed that they would rather use this grant for housing purposes in the low density urban areas (i.e. former 'white' residential areas). This proportion was highest in the formal housing areas where 17 per cent of these households expressed this desire. In addition, 7 per cent of all households indicated that they would prefer to use this grant outside of the Metropole.

These conclusions stand in contrast to those relating to the migratory characteristics of households. As indicated, a large portion of households expressed the desire to relocate to the Eastern Cape and evidence points to the fact that many households are mobile and frequently move both within and between the Metropole and other locations. Contrary to this, the table above indicates that most households would prefer to use the financial assistance available to them through the capital subsidy scheme in the Metropolitan Area. This suggests that households intend remaining in this location for a considerable period of time. One possible explanation for this discrepancy is that households may want to use

their subsidies in the Metropolitan Area to obtain formal accommodation, in order to provide a secure long term 'foothold' for family members and relatives planning to move to this location from outside areas (for example the Eastern Cape) in the future.

According to Mr. John Rushforth (CCC Shelter Unit), the issue of household mobility may have considerable implications upon the current housing policy and in particular its' ability to provide for the specific housing needs of the black low-income population. In particular, the mobility and migration characteristics of the black population may have an impact upon the type of houses they desire and the specific tenure arrangements associated with these dwellings.

The reason for this is that because many households are migratory in their behaviour and retain links with family and property outside of the urban areas, they may not desire the 'stability' associated with owning a formal house. Associated with formal home ownership (notably with reference to formal houses) are a number of factors that inhibit the ability of households to easily relocate. These include, the cost and need for structural maintenance, loan repayments, municipal taxes and levies. In addition, the lack of an established property market in the low-income areas may make it difficult for households to sell their homes in favour of relocating to a different area. Thus owning a home carries with it a range of opportunity costs.

Consequently, it has been suggested that many households would prefer to reside in a temporary dwelling which can be dismantled and easily sold (as these structures are cheaper) or rebuilt elsewhere. The fact that many households stated the desire for rental accommodation also supports this argument. Rental accommodation allows households the ability to enjoy the benefits of formal accommodation in the urban areas for as long as they intend remaining there without the commitment associated with owning a formal house. In this way households are able to maintain the locational flexibility associated

with their migratory lifestyles (John Rushforth CCC Shelter Unit). The implications of this upon the appropriateness of the current housing policy which advocates home ownership will be discussed later.

5.8 CONCLUSION.

In conclusion, this chapter has attempted to provide an insight into the actual needs, resources and perceptions of low-income black households in the Cape Metropolitan Area as they pertain to the issue of housing and community development. The primary aim of this chapter has been to identify those aspects considered to be most pertinent when attempting to assess the potential effectiveness and appropriateness of current housing policy as a means not only to alleviating the present housing crisis but also to providing households with the type of housing they both desire and can realistically afford. The purpose of the succeeding chapter will be to assess critically the current housing using the information outlined in this chapter. Before doing so however, it would be useful to review the principal conclusions that have been drawn.

The most significant conclusion is that households are very heterogeneous in terms of their needs, constraints, resources, perceptions and desired location. This has been well documented in this chapter and has been illustrated at the level of the different housing categories by which households may be classified. For example, it is apparent that substantial differences exist between those households living in informal houses (free standing and backyard shacks), hostels, and formal houses.

Furthermore, it is also apparent that relative to the more affluent residential areas and communities in the Cape Metropolitan Area, the black low-income population as a whole exist in a state of absolute or relative poverty and that varying degrees of poverty exist within this group. This is particularly apparent in the differences that exist between households living in formal houses and those currently residing in informal 'shack'

dwellings. More specifically, in terms of income, employment, access to basic services and housing, households living in informal dwellings are relatively 'poorer' and less well-endowed than those living in formal houses.

Many households are at present lacking adequate basic services, such as piped water, sewerage, and electricity. This is particularly apparent in the informal housing areas. The need for services was emphasised by many households as a crucial factor affecting their decision to relocate to a different area within the Metropole. More specifically, 43 per cent of households which stated that they had considered moving claimed this was the reason. Formal houses by comparison appeared to have greater access to these services with almost all houses having a flush toilet, electricity and an 'in-house' tap.

The problem of overcrowding was also raised by many households, and was a principal factor underlying the dissatisfaction of almost 50 percent of households. At present 57 per cent of households are overcrowded. Again this problem is particularly apparent in the informal housing areas where over half the households have more than one person per room as opposed to approximately one third of the households living in formal houses.

Household income differs considerably between housing types. Of importance with regard to the current housing policy and the ability of households to afford to upgrade their dwellings, is the fact that some 74 per cent of households earn below R1500 per month, with 42 per cent earning below R800 per month. The diversity in household incomes is illustrated by the fact that 80 per cent of those households living in informal dwellings earn below R1500 per month as opposed to 55 per cent of those currently residing in formal houses. A greater proportion of households living in informal settlements therefore fall within the 'very low' income bracket (earning less than R1500 per month) than those living in formal houses.

The reason for this may partly be explained by the fact that most shack dwellers are either unemployed or confined to low paying unskilled service jobs. Relatively few households have high-paying skilled occupations. Those who do tend to live in formal houses. In turn, this may be attributed to the fact that 91 per cent of all households do not have a matriculation exemption or other form of higher education and cannot therefore effectively compete for higher paying employment positions. Household heads living in informal dwellings are also less educated than their counterparts residing in formal houses.

Of equal significance is the fact that 41 per cent of all households receive monthly incomes that are below the primary household subsistence level (PHSL) and can therefore be considered 'vulnerable.' The effect of this is that households earning incomes below this level have relatively little disposable (discretionary) income with which to save, improve their living standards or upgrade their dwellings. This problem is particularly evident in the informal housing areas where one half of all households earn below the PHSL. In contrast, a relatively smaller proportion of households living in formal houses are in this position (29 per cent earn below the PHSL).

As indicated, relatively fewer households living in informal dwellings are able to save each month. More specifically, only 33 per cent of these households save as opposed to 70 per cent of those living in formal houses. In general, only half of all households save. Those households which are in a position to save do so primarily through burial societies. Little use is made of private financial institutions. The ability of households to save is also hampered by the fact that 25 per cent have outstanding debts (primarily shop accounts and hired purchases). Households with these debts are largely confined to the formal housing areas where 42 per cent of these households have such debts.

With regard to home ownership, the majority of households interviewed stated that they own their dwellings (69 per cent of all households). It would appear that home ownership is particularly prevalent in the informal settlements where approximately 80 per cent of

households own their dwellings as opposed to 61 per cent in formal houses. Of the remainder who do not own their dwellings (31 per cent of total), most pay monthly rentals for their accommodation although a small proportion are in the process of acquiring their dwellings and owe money on these properties (primarily in the form of home bonds). Those paying rents were located primarily in the formal housing areas, hostels and backyard shack areas. The number of households in the possession of a home bond is relatively small constituting only 7 per cent of the total population. It is important to note however that some households may have misinterpreted this question and stated that they owned their dwellings when in fact they still owe money on their properties or are in possession of a home bond. Consequently, the number of households who actually own their dwellings (and have no outstanding property debts) may be less than indicated.

Over half of households interviewed stated that they pay monthly utility charges (Municipal taxes and levies for public services consumed), the highest proportion being in the formal housing areas where 90 per cent of households pay these charges. This proportion was less in the informal areas where 38 per cent of households claimed to pay such charges. Whilst this is positive in the sense that it reflects a reversal in the existing 'culture of non-payment,' at the same time it also emphasises the fact that few dwellings in the informal areas have access to basic public services. The amount paid monthly by households in each housing area also differs with informal households paying on average half of the amount paid by formal households.

Overall, 63 per cent of all households stated that they were making some form of housing and/or utility payment each month⁷. The proportion of households making these payments was less in the informal housing areas (50 per cent) although all households living in formal houses stated that they were making one or both of these payments.

⁷ It is important to note that this statistic may not however be representative of the actual number of households paying these charges given the unlikelihood of households admitting to non-payment. In addition, the magnitude of City Council arrears in Cape Town suggests that fewer households are actually paying these charges than this statistic suggests.

Despite these costs and the low monthly incomes earned, most households living in informal dwellings stated that they could afford to pay more for housing each month. It must be noted that in absolute terms this amount is relatively small (R50 on average). Most households living in formal houses claimed that they could not pay more for housing.

Most households were dissatisfied with their present dwellings. This was particularly apparent amongst those living in the informal housing areas and hostels. Approximately half of the households living in formal houses were dissatisfied with their accommodation. The primary reason given for dissatisfaction was the nature of the dwellings themselves (93 per cent of all dissatisfied households). In particular, most households living in formal houses, hostels and backyard shacks stated that their dwellings were too small. These sentiments reflect the high incidence of overcrowding already mentioned. Whilst households living in free-standing shacks also emphasised this, many also advanced other reasons for the cause of dissatisfaction (leaking, poor construction materials and fire hazard). While only half of all households stated that they were dissatisfied with their dwellings, 84 per cent stated that formal housing was one of their primary development needs. Many households also claimed that they needed increased employment opportunities. This point is important considering the fact that many household heads are at present unemployed and poverty stricken.

In light of these problems, 25 per cent of households stated that they had considered relocating to different areas within the Metropole in order to improve their living and housing standards. Areas favoured by these households were those offering increased access to amenities (basic services), improved dwelling structures (formal houses) and in particular larger houses (in order to overcome the problem of overcrowding). Furthermore, over half of all households stated that that they would prefer to rent formal housing. These sentiments were expressed primarily by households living in informal dwellings and hostels. Households living in formal houses stated that they would prefer to buy or build their own housing.

Most households which had considered relocating stated that that they were however unable to do so because of the costs involved. More specifically, 71 per cent indicated that this was the principal factor preventing them from obtaining the housing of their choice. Consequently, due to the low incomes received by most households and the costs involved most households cannot afford to satisfy their housing needs. In addition, the current lack of available formal housing also constrains households in this regard.

With regard to past home improvements (*in situ* upgrading), 76 per cent of all households stated that they had not made such improvements. Of those households who had, most had increased the size of their dwellings. This reasserts the grievance that dwellings are considered to be too small and susceptible to overcrowding. *In situ* upgrading was most prevalent in the informal shack areas although a significant proportion of households residing in formal houses had also undertaken extensions and renovations. Furthermore, most households had made these improvement themselves and had not borrowed money to do so. Many households living in formal houses had however hired outside contractors because they are more capable of affording the costs of upgrading than those living in informal dwellings.

Relatively few households said that they intended upgrading their dwellings in the future (21 per cent of all households). Of those planning to do so, most live in formal houses. This reaffirms that most households living in informal houses cannot afford to do so, the reason given by almost half of those households who claimed that they were not planning to upgrade. Many households also stated that they were not intending to upgrade their dwellings as they did not as they did not have secure tenure over them.

Most of the households which were planning to upgrade their dwellings indicated that they intended increasing the size of their dwellings. however, the majority of them stated that they were uncertain how they would pay for these improvements. Many were of the opinion that they would earn the income with which to do so or save the necessary capital. Hence, although these households want to upgrade and improve their dwellings

they do not have that finance available with which to do so. In addition, few households expressed the desire to borrow that funding needed. Analysis has also indicated that a positive relationship exists between home ownership, income, dwelling satisfaction and the desire to upgrade. Households which own their dwellings, are presently dissatisfied with these structures and which are able to afford to upgrade are more likely to do so.

In terms of mobility, it is apparent that most household heads (65 per cent) were born in the rural areas (particularly the Eastern Cape) and have lived in a number of dwellings since their present dwelling (on average 3.3 but over 4 in some cases). On arrival in Cape Town, approximately equal portions of these households lived in informal areas and formal houses (one third respectively). It is also apparent that are willing to move between different housing types in order to satisfy their accommodation needs and in accordance with their resource constraints. Most households occupying free standing shacks have lived in informal dwellings since 1991 while most households living in formal houses have been residing in these dwellings since before 1991. This illustrates the fact that since the abolition of Influx Control in 1986 increasing numbers of blacks have moved into the Metropolitan area. Moreover, due to the lack of formal accommodation many of these households have been forced to settle in the informal housing areas.

In addition, it is probable that although many households moved to their present dwellings in order to establish a new home or for economic reasons, that a significant proportion of households living in informal dwellings are living in these structures out of choice. The reason for this is that these dwellings offer households a greater degree of flexibility and allow them to easily relocate in accordance with the availability of employment opportunities. This is illustrated by the fact that many households indicated that they do not intend remaining in the Cape Metropolitan Area for the entire duration of their lives but would prefer to retire in the Eastern Cape and in those rural locations considered 'home.'

In conclusion, it is evident that there exists considerable diversity amongst the low-income black population in the Cape Metropolitan Area in terms of living standards, access to basic services, location preferences, resources (particularly financial resources), perceptions and housing needs. This diversity also extends to households living in different housing types and suggests that the current housing policy should be flexible in its approach if it is to take into account these diverse household characteristics and effectively provide low-income black households with the type of accommodation they both desire and can realistically afford (Spiegel *et al* 1994: 2). The appropriateness of the current housing policy in this regard will be discussed in greater detail in the succeeding chapter.

CHAPTER SIX

Synthesis.

6.1 INTRODUCTION.

This chapter presents a critical assessment of the current housing policy and the measures contained within it. The purpose is to meet the primary objective of this research *viz.* to evaluate the possible effectiveness of this policy as a strategy designed not only for solving the present black low-income housing crisis, but also as a means towards providing households in need with accommodation that they both desire and can realistically afford.

Arguments and critiques draw upon earlier analysis of the characteristics of low-income black households in need of adequate housing. The principal objective of this chapter is therefore to utilise the information presented earlier in order to ascertain whether current housing policy represents an effective and sustainable working solution towards solving the housing needs of this urban population group.

Before proceeding however, it is necessary to reiterate briefly the three principal features of the current housing strategy. These features reflect the realisation that the primary constraint facing this Department of Housing in its attempt to resolve the housing crisis is that many households may not be able to afford to provide their own formal 'brick' housing. Housing policy has attempted to resolve this problem in three significant ways.

Firstly, through the introduction of the *capital subsidy* scheme. It is important to note that the subsidy is not intended to cover the full costs incurred in buying or building a formal house. Rather it is designed to act as a catalyst, providing households with initial

financial assistance for the acquisition of such accommodation. Any other costs involved in this process have to be borne by the households concerned (either through savings, earnings or the attainment of a housing loan).

Secondly, through the strategy of *incremental* housing. While the capital subsidy scheme may endow some households (notably those with higher monthly incomes) with the ability to buy or build a formal house in the short term, other households may not have the resources or financial wherewithal with which to do so. The policy of incremental housing is intended to provide these households with the flexibility to attain such accommodation over a longer period of time and in accordance with their particular resources (notably income). Under this scheme, households may purchase a serviced site (using the capital subsidy allocated to them) upon which to build a temporary dwelling (shack). It is envisaged that in time households will then be able to upgrade this structure incrementally to the standard of formal housing. This process may take the form of either *in situ* upgrading (involving the construction of a serviced site upon the household's present dwelling site), or *roll over* upgrading (which involves the relocation of the household to a new location where a serviced site has been constructed or purchased).

This strategy is aimed particularly at those households falling within the very low-income bracket (earning less than R1500 per month), and most notably, those currently living in informal 'shack' settlements. The reason for this is that it is these households that are most constrained in their financial ability to obtain formal housing in the short term. In addition, households with higher incomes, but who are unable to afford to purchase or build a formal house, may use this subsidy to construct a serviced 'starter' house (single roomed brick house). Ideally households will overtime incrementally extend and upgrade these dwellings to the standard of formal accommodation.

Thirdly, through an attempt to encourage private sector lending to low-income households. Given the fact that the subsidy is not intended to provide the full financial assistance needed to obtain a formal house, households are expected to acquire additional funding necessary through private sector home loans.

These are the prominent features of current housing strategy, and are the means through which the State anticipates low-income households will be able to procure adequate formal accommodation. The success of this strategy depends upon four principal variables, namely:

1. The ability of households to afford the costs associated with acquiring and maintaining formal housing over and above those covered by the subsidy (construction costs, home loan repayments, monthly utility charges and the deposit required on a home loan).
2. The willingness of private lending institutions to make such financial assistance available.
3. The degree to which households are willing and financially able to upgrade their dwellings to the standard of formal housing.

These variables affect the extent to which low-income households are able to obtain formal housing through the measures contained within the current housing policy. It follows that if these variables limit or prevent households from obtaining formal housing, then the current housing strategy is an inappropriate response to the housing crisis and does not take into full account the specific characteristics of those households concerned or the context in which they operate. These variables are therefore central to this study and will be considered in the following analysis.

Furthermore, the success of this policy also depends upon a range of other factors such as its ability to provide low-income households with that type of housing they both need and desire and residential environments in which fully functioning communities can

evolve. These factors likewise affect the appropriateness and potential effectiveness of the current housing policy and will be discussed in this chapter.

6.2 THE ISSUE OF HOUSING AFFORDABILITY.

As indicated, the potential effectiveness of the current housing strategy as a means through which low-income households may obtain formal housing depends upon their ability to afford the costs associated with this type of accommodation. These costs include monthly home loan repayments, utility charges and the cost of building a formal house. The degree to which households are able to afford these costs depends on:

1. The amount of subsidy assistance households receive from the State.
2. Total monthly household income and particularly that amount which may be used for discretionary purposes (disposable income).
3. The costs associated with private sector financial assistance (monthly home loan repayments and the deposit required on such loans).
4. The availability of private sector home loans.
5. The cost of buying or building a formal house and the monthly utility (service) charges associated with this form of accommodation.

Evidence suggests that many low-income black households will not be able to afford to buy or build their own formal housing despite the financial assistance offered by the capital subsidy programme. According to Mr. Neil Ross, chairman of the Cape Town City Council (CCC) Housing Committee, the cost of constructing or purchasing a 'standard' formal house with a floor area of 24 square metres and two or three bedrooms is R30 000 (Argus, 21 May 1994). While a portion of this cost will be covered by the subsidy, the following table indicates the amount of additional finance low-income households will need in order to obtain this accommodation. This is the 'minimum standard' of housing the State envisages low-income households should be able to obtain through the current housing policy.

Table 6.1
Financial Requirements of Low-Income Households
wishing to Construct or Purchase Formal House Costing R30 000.

Income Category*	Subsidy Grant (R)	Financial Requirement (R)
0 - 800	15000	15000
801 - 1500	12500	17500
1501 - 2500	9500	20500
2501 - 3500	5000	25000

* Rand per month (low-income households)

According to Mr. Ross, it is unrealistic to assume that households falling within the very low-income bracket (earning between R0 and R1500 per month) have available the amount of additional finance required needed to obtain a standard formal house as indicated in the table above. Furthermore, doubts have been expressed as to whether they are able to afford the monthly loan repayments associated with borrowing this amount of money (table 6.2). If this is true, then despite the subsidy assistance available, very low-income households will not be able to obtain formal housing through the current housing strategy. As such, the strategy may be labelled as being an inappropriate response towards solving the housing needs of the very low-income black population.

The aim of this section is to test the validity of this argument and to ascertain whether households falling within different income categories will be able realistically to afford to buy or build a standard formal house within the context of the current housing strategy. Reference will be made to the results of Project Migration. It is assumed that households are able to obtain additional financial assistance in the form of home loans from the private sector. The approach used in this section will be to firstly determine the costs associated with obtaining a standard formal house. Thereafter, the degree to which households are able to afford these costs will be ascertained and conclusions drawn.

6.2.1 The Cost of Formal Housing.

As indicated earlier, the cost of buying or building a standard formal house is R30 000. This includes the price of the land or serviced plot and the cost of constructing the 'top-structure.' While a portion of this cost will be covered by the subsidy assistance available to households, the remaining amount will have to be paid by those households concerned (using either savings or private sector home loans). Households will also have to pay the monthly utility charges associated with this type of accommodation as well as other contingency costs such as maintenance and insurance.

The majority of households do not possess savings with the exception of those already living in the formal housing areas. This may be attributed to the higher monthly incomes these households receive. On average 53 percent of households do not have savings with the highest proportion living in the free-standing and backyard shack areas (64 percent of these households do not have savings). Of those households who do possess savings, relatively few utilise commercial banks. Consequently, without adequate savings the majority of households will have to obtain private sector financial assistance in order to obtain a formal house.

Table 6.2 illustrates the amount of capital that will have to be borrowed by households receiving different levels of subsidy assistance and the monthly repayments required to service these loans. The time span over which this capital has to be repaid is also depicted along with the interest rates on these loans. This information was derived from The Standard Bank of South Africa Limited and more specifically this institution's E-Bank programme. This programme was established for the specific purpose of providing private sector financial assistance to mass low cost housing schemes and low-income households.

Table 6.2
Monthly Repayments on Loans of up to R25000.

Subsidy Allocation (R)	Additional Capital Needed (R)	Repayment Time Span (Yrs)	Interest Rate (%)	Monthly Repayment (R)
15 000	15 000	10	19.66	294
		20	17.38	260
		30	17.12	256
12 500	17 500	10	19.66	344
		20	17.38	304
		30	17.12	300
9500	20 500	10	19.66	403
		20	17.38	356
		30	17.12	351
5000	25 000	10	19.66	491
		20	17.38	434
		30	17.12	428

Source: The Standard Bank of South Africa (Ltd) 1995 (Interview)

It is apparent that the minimum repayment households falling within the very low-income bracket would have to make is R256 per month. According to the Standard Bank of South Africa (Ltd), for a home loan to be granted this amount must not exceed 25 percent of total monthly income.

In addition, households are also required to pay an initial deposit upon a home loan in order to access this finance. The deposit required is 5 percent of the amount borrowed. The amount of deposit required for these various loans is shown in table 6.3. It is important to note that in some cases very low-income households may be permitted to access this finance through a deposit savings scheme. In this instance, rather than paying an 'upfront' deposit, households are encouraged to save a portion of their income each month (for a minimum of 9 months) with the institution from which they wish to obtain

additional finance. At the end of this period, that amount saved will be construed as sufficient deposit.

Table 6.3
Deposit Required upon Various Home Loans.

Amount to be Borrowed (R)	5% Deposit (R)
15 000	750
17 500	875
20 500	1025
25 000	1250

Source: The Standard Bank of South Africa (LTD) 1995 (Interview)

With regard to monthly utility charges, 57 per cent of all low-income black households currently pay these charges. Of all households living in informal settlements approximately 40 percent pay these costs each month, with 90 percent of those living in formal houses doing so. The average amount paid by those households living in informal housing is R50 per month. Households living in formal houses pay on average R90 per month. The utility charges associated with formal housing are higher due to the increased level of services (better quality and range of services) received by these houses. This additional cost must be taken into account by households living in informal houses who intend obtaining formal accommodation.

6.2.2 Household Affordability Levels.

The aim of this section is to ascertain the amount of income households are able to direct towards covering the costs associated with buying or building a formal house. The degree to which households are able to afford the costs outlined in the previous section depends upon:

1. The total amount of monthly income they receive.
2. Household subsistence costs (living expenses).
3. Other household expenses and contingency costs.

The monthly income remaining after subsistence costs and other essential household expenses have been accounted for is termed 'discretionary income'. This income may be used *inter alia* to cover the costs associated with obtaining formal accommodation. Consequently, the degree to which households can afford these costs depends upon the amount of discretionary income they have available each month. It is therefore necessary to identify the amount of income households earn each month, their monthly subsistence costs and other household expenses.

Household Income.

At present, 74 percent of all black low-income households within the Cape Metropolitan Area earn R1500 or less per month. More specifically, 42 percent earn below R800 per month, and 32 percent earn between R801 and R1500 per month. The 26 percent of households earning above R1500 per month are said to be in the 'upper' low-income bracket.

The majority of households earning below R1500 per month live within the informal housing areas. Over half of all households living in free-standing and backyard shacks earn below R800 per month, whilst in total, 80 percent of these households earn below R1500 per month. In addition, 55 percent of households currently living in formal houses earn less than R1500 per month. While this might appear to be an anomaly in terms of affordability at current prices, most of this formal housing was constructed in an economic climate with much lower construction costs prevailing and in addition, much of the housing was built by employers for their employees.

The average amount of monthly income received by all households is R1242. This amount varies between housing types. Households living in formal houses earn on average approximately R1500 per month. In contrast to this, households living in informal housing earn on average approximately R960 per month.

Household Living Expenses.

Household living expenses refer to monthly subsistence costs and are encountered by all households. In order to ascertain the amount of income households need to cover these living costs, the primary household subsistence level (PHSL) has been used as a 'benchmark.' This index represents a defined 'basket' of basic consumer goods deemed necessary for the survival of a household of a given size in a particular metropolitan area. It does not make provision for any expenditure on luxury items or contingency costs. At the same time this amount does include rent and transport.

According to Potgieter (1995: 79), the PHSL for low-income households in Cape Town is at present R878 per month. (Appendix H) This amount has been calculated for an average 5 member household. Given the fact that the average household size in the formal housing areas is 5 persons, this figure is therefore representative of that amount of income these households need each month in order to subsist. The average household size in the informal housing areas of Cape Town is 4 persons per household (free-standing and backyard shacks). Using the subsistence amounts for individuals in different categories calculated by Potgieter (1995: 52), the amount of income needed by an average 4 member household comprising two adults, one teenage child and one sub-teen child to subsist is R783 per month.

Given the amount of income households receive each month, it is apparent that households earning less than R800 per month do not earn sufficient income with which to subsist. As such the amount of income they receive is below the recommended PHSL. Consequently, the total monthly earnings of these households are used to subsist leaving no income remaining for discretionary purposes. The implications of this upon the ability of these households to afford the costs associated with formal housing will be discussed later. Many of these households 'survive' by receiving income in forms other than cash such as, income in kind from employers (food, clothing and medical assistance).

Other Household Expenses.

Apart from subsistence costs, households may also encounter a number of other expenses each month. These expenses further reduce the amount of discretionary income households possess and include:

1. Consumer debts.
2. The costs associated with property owned outside of the Metropole.
3. Remittances to family and relatives.
4. Monthly utility charges.
5. Contingency costs.

Forty two percent of all households pay some form of remittance to family members and relatives living outside the Metropole. This remittance is usually in the form of money, food or clothing. On average, approximately 50 percent of households living in formal houses pay remittances as do 35 percent of households living in informal settlements. Thirteen percent of all households also own property outside of the Metropole. In addition, 25 percent of households carry consumer debt. These households are located primarily in the formal housing areas.

It is important to note that households may not incur all of these costs. In addition, the degree to which they affect the amount of discretionary income households possess may vary. Nevertheless, using this information in conjunction with the amount of monthly income households receive and their subsistence costs, it is possible broadly to determine whether households falling within different income categories can realistically afford to buy or build a formal house. This analysis will be carried out in the following section. The approach used will be to identify the minimum amount of income households need each month to subsist and cover the housing costs already mentioned (home loan repayments and utility charges). Using this minimum amount it is possible, given the income households actually receive, to assess whether they are able to afford the costs associated with this form of accommodation and remain at or above a subsistence level.

6.2.3 Conclusions.

Households Earning in Excess of R1500 per Month.

Table 6.4 illustrates the minimum amount of income households earning above R2500 per month need in order to subsist (based on the PHSL) and to cover the costs associated with obtaining a standard formal house. These households are entitled to a housing subsidy of R5000 and consequently have to borrow R25 000 in order to buy or build a formal house costing R30 000. The monthly repayment on this loan depicted in the table pertains to the longest time period over which the amount borrowed has to be repaid (30 years). It is therefore the minimum amount that has to be repaid each month.

Table 6.4
Minimum Income Needed by Households Earning in Excess of R2500 per Month
to Subsist and Obtain Formal Accommodation.

Household Size	Amount Borrowed	Monthly Repayment	Monthly Utility Charges	Subsistence Costs	Monthly Income Requirement
4	25 000	428	90	783	1301
5	25 000	428	90	878	1396

Note: All amounts given with the exception of household size are in Rand.

The minimum amount of monthly income households with 4 members need in order to subsist and cover the costs of a standard formal house is R1301. Households with 5 members need R1396 per month. This does not include the amount of income that may be needed to cover contingency costs or expenditure on luxury goods and services. Given the fact that these households earn above R2500 per month, it is evident that they are able to afford the costs of buying or building a formal house of minimum standard.

Similarly, the table 6.5 indicates the minimum amount of income households earning between R1501 and R2500 need each month. These households are entitled to a housing subsidy of R9500 and therefore need to borrow R20 500 to obtain a standard formal house. The loan repayments on this amount are R351 per month over 30 years.

Table 6.5
Minimum Income Needed by Households Earning between R1501 and R2500
Per Month to Subsist and Obtain Formal Accommodation.

Household Size	Amount Borrowed	Monthly Repayment	Monthly Utility Charges	Subsistence Costs	Monthly Income Requirement
4	20 500	351	90	783	1224
5	25 000	351	90	878	1319

Note: All amounts given with the exception of Household size are in Rand.

Here the minimum amount of income households with 4 members require each month is R1224. Households with 5 members need R1319 per month. These households earn incomes in excess of these minimum amounts, and can therefore afford to obtain standard formal housing in this manner.

In conclusion, the above analysis indicates that those low-income households earning in excess of R1500 per month are able to obtain minimum standard formal housing using the financial assistance provided to them through the capital subsidy scheme. Whilst this demonstrates the effectiveness of current housing strategy as a means through which these households are able to procure formal accommodation, it is important to note that only 26 percent of all black low-income households in the Cape Metropolitan Areas receive monthly incomes of R1501 or more. In addition, many of these households already live in formal houses. Given the fact that many of these households do not have savings, it is also apparent that their ability to obtain formal housing largely depends on the availability of private sector financial assistance and the ability of these households to qualify for this assistance in terms of the banks risk lending criteria.

Households Earning Less than R1501 per Month.

As observed earlier, some 75 percent of all low-income black households in the Cape Metropolitan Area earn monthly incomes of less than R1501 per month. Most of these households are located in informal 'shack' housing areas. It is in these areas that the shortage of adequate formal housing is most acute. In terms of the current housing strategy, it is therefore important that these households are able to obtain formal housing using the financial assistance provided through the capital subsidy scheme.

With regard to those households earning between R801 and R1500 per month, the minimum amount of income these households need to subsist and afford the costs associated with formal housing each month is indicated in table 6.6. These households are entitled to a housing subsidy of R12 500 and therefore need to borrow R17 500 in order to buy or build a standard formal house costing R30 000. The minimum repayment on the amount borrowed over 30 years is R300 per month.

Table 6.6
Minimum Income Needed by Households Earning between R801 and R1500
per Month to Subsist and Obtain Formal Accommodation.

Household Size	Amount Borrowed	Monthly Repayment	Monthly Utility Charges	Subsistence Costs	Monthly Income Requirement
4	17 500	300	90	783	1173
5	17 500	300	90	878	1268

Note: All amounts given with the exception of Household size are in Rand.

The minimum amount of income that these households need each month is R1173 and R1268 for households with 4 and 5 members respectively. Given the monthly incomes these households receive, it is apparent that only a portion will be able to afford the costs associated with formal housing and have remaining sufficient income with which to subsist. Those earning less than the amounts depicted in table 6.6 cannot afford to buy or

build a formal house. These households will have to use the financial assistance available to them through the capital subsidy programme to upgrade their dwellings by purchasing a serviced site.

While table 6.6 indicates that households earning above the minimum amounts indicated will be able to obtain formal housing, their ability to do so may be constrained by two important factors:

1. The unwillingness of private sector financial institutions to make housing loans available to these households. Reasons for this will be outlined later.
2. Many of these households do not have savings and hence it is unlikely that they have available that amount of finance needed for the deposit on a home loan. The deposit required is R875.

Moreover, the monthly incomes received by many low-income households are not stable and fluctuate in accordance with the availability of employment and changing household composition. This is likely to affect the ability of households to afford to pay their monthly loan repayments and utility charges. A decrease in monthly income may also force households to draw upon that income needed to subsist leading to a decline in living standards and increased levels of poverty. Failure to repay loans frequently results in houses being repossessed by those financial institutions concerned. The costs in personal, social and political trauma are considerable.

In addition, the minimum amount of income households need to subsist and afford the cost of formal housing depicted in table 6.6 does not include expenditure upon luxury items, contingency costs or other household expenses. These costs will reduce the amount of discretionary income households possess and hence their ability to afford the costs associated with formal housing. Consequently, while many of these households may appear to be able to afford to obtain formal housing, in reality they may not be able to do so.

Table 6.7 illustrates the minimum amount of income households earning less than R801 per month need in order to subsist and cover these housing costs. Under the capital subsidy assistance programme these households are entitled to a housing subsidy of R15000. In order to obtain a standard formal house, they have to borrow an additional R15000. The minimum monthly repayment that has to be made upon a loan of this size is R256 (over 30 years).

Table 6.7
Minimum Income Needed by Households Earning less than R800
per Month to Subsist and Obtain Formal Accommodation.

Household Size	Amount Borrowed	Monthly Repayment	Monthly Utility Charges	Subsistence Costs	Monthly Income Requirement
4	15 000	256	90	783	1129
5	15 000	256	90	878	1224

Note: All amounts given with the exception of Household size are in Rand.

It is apparent that households with 4 members would need a minimum of R1129 per month in order to afford the costs associated with a standard formal house and have remaining sufficient income with which to subsist. Households with 5 members need R1224 per month in order to cover the same costs. Given the fact that these households presently earn below R800 per month, it is evident that they cannot afford to buy or build a standard formal house. Further impoverishment and a decline in living standards may result if these households were forced to allocate a portion of their monthly incomes towards these housing costs.

Furthermore, many of these households do not have savings and are constrained in their ability to save by the low incomes they receive. This suggests that many will be unable to afford the deposit required upon a home loan (R750) and are unlikely to be able to participate in the savings deposit scheme offered by some private financial institutions. Access to private financial assistance may be constrained in this way. These households

will have to utilise the financial assistance offered to them through the capital subsidy scheme to either upgrade their present dwellings (through the provision of services for example), or purchase a serviced site upon which to build a temporary dwelling. Over time this dwelling *may* be upgraded to the standard of formal housing. The willingness and financial ability of these households to upgrade their dwellings will be considered later.

In conclusion, it is evident that despite the measures contained within the current housing strategy, the majority of low-income households in the Cape Metropolitan Area will not be able to afford the costs associated with buying or building a standard formal house. This is particularly apparent with regard to the 74 percent of households which earn less than R1501 per month. These households do not possess the necessary discretionary income needed to afford these housing costs and have remaining, sufficient income with which to subsist and pay other household expenses.

It may therefore be argued that the current housing strategy is an inappropriate means through which *all* low-income households may obtain formal housing and especially those falling within the very low-income bracket (earning less than R1501 per month). The reason for this is that this strategy does not adequately make provision for the low monthly incomes these households receive and their inability to afford the costs associated with obtaining formal housing. As such it does not provide very low-income households with the ability to afford this type of accommodation. This may be attributed to the fact that this strategy does not:

1. Provide adequate financial assistance to very low-income households through the capital subsidy scheme. The level of subsidy assistance available does not cover a sufficient proportion of the building costs associated with formal housing. Consequently, households are forced to try to obtain housing loans that they cannot afford to repay.

2. Attempt to reduce the costs of borrowing from private sector financial institutions. Most households earning below R1501 per month cannot afford the monthly loan repayments associated with private sector borrowing. This may be attributed to the high interest rates upon these loans. In addition, most low-income households do not earn sufficient income or possess adequate savings with which to afford the deposit required on a home loan.
3. Attempt to decrease the actual cost of building a standard formal house (R30 000). Without additional financial assistance, most very low-income households are not able to afford this type of accommodation. This may be attributed to the present cost of building materials and the skilled labour needed to construct these houses.

These factors suggest that in order to be a more appropriate means through which very low-income households can obtain formal housing, the current housing strategy should attempt to reduce the costs associated with this form of accommodation. This could be achieved by:

1. Increasing the level of subsidy assistance provided to households through the capital subsidy scheme.
2. Imposing State regulations upon:
 - a) the interest rates associated with private sector home loans;
 - b) the amount of deposit required on a home loan;
 - c) the cost of building materials (so as to reduce overall building costs).

These measures would serve to reduce the financial burden placed upon very low-income households attempting to buy or build a formal house. However, there are a number of problems associated with these possible measures.

In the first instance, the Department of Housing lacks the additional funding needed to increase the level of subsidy assistance available to very low-income households. In fact concerns have been expressed as to whether the funds available to implement the current housing strategy and finance the capital subsidy programme are themselves sufficient (Argus City Late, 27 May 1994). According to Mr. Gerald Morkel, Housing Minister for the Western Cape, doubts also exist as to where the 17.6 billion rand (R31.6 billion according to the DOH 1994:47) needed to finance the policy as predicted by the National Housing Forum, will be obtained (Argus City Late, 27 May 1994).

At present only 2.3 billion rand has been made available for housing. It was estimated by the former Minister of Housing, the late Mr. Joe Slovo, that the total cost of implementing the policy will be 90 billion rand over the next 10 years (including the cost of the RDP). This would be used to construct 3.7 million houses (Cape Times, 22 June 1994). However, according to Slovo, the State does not at present possess the amount of funding needed to implement the current housing strategy. Furthermore, he stated that at most only 50 billion rand would be made available in the next 10 years.

Consequently, given the fact that the DOH is unable to afford to implement the current housing strategy, it is unlikely that additional funding will be made available to increase the level of subsidy assistance very low-income households receive. Considering the magnitude of the current housing crisis, its social and political implications and the sense of urgency surrounding this problem, it may however be argued that it is justifiable taking measures to ensure that households are able to obtain formal housing, even if additional funds have to be derived from other sources and various sectors of the National Budget compromised - a 'guns versus butter' argument. One must however acknowledge the fact that in practice this may be difficult to achieve due to the lack of available State funds and the complexities associated with the prioritisation of national issues (such as the housing problem).

With regard to the possibility of introducing State regulations to reduce the interest rates charged upon home loans and the amount of deposit required, it is unlikely that private sector financial institutions will be willing to make financial assistance available under these conditions. While these measures will increase the ability of very low-income households to afford the costs of borrowing, the profits generated through these loans will decrease resulting in increased opportunity costs to those institutions concerned. However, it may be argued that if interest rates were reduced to a level households could afford, the risk of non-payment would be lessened. In light of the present 'culture of non-payment,' it may be 'worthwhile' for lenders to ensure that households are able to afford to repay their home loans rather than face the risk and costs of having to instigate foreclosure proceedings.

Hence, although the current housing strategy is inappropriate in the sense that it does not enable very low-income households to afford formal housing, few options exist through which the State may adapt this strategy to make it more suitable to this purpose. This is compounded by the fact that 42 percent of all households in the Cape Metropolitan Area earn monthly incomes that are below the PHSL. The amount of discretionary income available to these households and which may be used to buy or build formal housing is thus minimal. It was for this reason that the policy of incremental housing was introduced. It is envisaged by the State that this policy will enable households to obtain formal accommodation in accordance with the availability of their own financial resources. The potential effectiveness and appropriateness of this policy will be assessed later in this chapter.

6.2.4 The Availability of Private Sector Financial Assistance.

The proceeding analysis was based upon the assumption that low-income households are able to obtain private sector financial assistance. In light of the fact that the subsidy assistance available to low-income households is not intended to cover the entire cost of buying or building a formal house, the availability of private sector financial assistance is an integral component of the current housing strategy. In the absence of additional financial assistance, it is unlikely that low-income households will be able to afford to obtain formal housing as they do not possess the necessary capital. To a large degree, the success of this strategy therefore depends upon the willingness of private sector financial institutions to provide credit to households in the form of home loans and bonds.

According to Slovo (Cape Times, 16 May, 1994), the most formidable challenge facing the DOH lies in attempting to stimulate private sector involvement in the process of low-income housing delivery. Over the past 18 months the State has embarked upon extensive negotiations with a number of private sector financial institutions. These negotiations form an attempt to stimulate the willingness of these institutions to make financial assistance available to low-income households. To this end the Mortgage Indemnity Scheme (MIS) was also established. It is anticipated that this scheme will minimise the risks associated with providing financial assistance to low-income households, thereby increasing the availability of housing credit.

Despite these measures however, most private sector financial institutions have expressed concern over the provision of home loans to low-income households. This is largely because of the high risks involved. The result is that to date little credit has been made available to these households and those developers engaged in the construction of low cost homes in the urban areas (New Nation, 6 October, 1995). These concerns were expressed by Mr. Piet Liebenburg, chief executive of the Council for South African Bankers in a statement in which he claimed that financial institutions would not "indulge in high risk lending to people who are either unable or unwilling to repay their loans"

(Argus Late Final, 29 July, 1994). In addition Mr. Liebenburg went on to say that "unless the culture of non-payment of bond instalments, rents and services on slight pretexts, and the restoration of due process of law in repossession of properties is overcome, there will be continued reluctance by mortgage lenders to re-enter this market" (Argus Late Final, 29 July, 1994). These statements were made in response to an announcement made by Slovo that laws may be introduced to force banks to lend to low-income households (Argus Late Final, 29 July, 1994). Several reasons exist as to why financial institutions are presently unwilling to provide housing loans to low-income households:

- a) The reluctance of many low-income households to service their monthly home loan repayments and the existing 'culture of non-payment.' In 1994, 16 000 houses in predominantly black low-income townships were repossessed by private sector financial institutions due to a lack of repayments (Cape Times, 21 October, 1994). By May of 1995 it was estimated that this figure had risen to approximately 30 000 units (Northern Argus, 17 May: 1995). The total value of property repossessed for these reasons was estimated to be in the order of R700 million by mid-1994. This figure equates to approximately 14 percent of the total amount of housing credit that has been granted to low-income households since 1988 (The Argus - Late Final, 29 July, 1994). Under such abnormal market conditions, most financial institutions consider that the risks associated with lending to low-income households are too great.

The extent of the 'culture of non-payment' is also apparent in the fact that according to Mr. Gerald Morkel (Minister of Housing in the Western Cape), rental arrears within the CCC's jurisdiction (Indian and Coloured communities) stood at R8.7 million by the end of January 1994. Concurrently, outstanding home ownership payments totalled R7.2 million (Cape Times, 23 September, 1994). In the same report, it was stated that the communities involved claimed that payments of this nature would only resume if these arrears were nullified.

Consequently, private sector financial institutions have in the past 18 months been reluctant to provide credit to low-income households to be used for housing. In addition, most have been particularly reluctant to lend to households falling within the very low-income bracket (earning less than R800 per month) as it is perceived that the risks associated with lending to this group are highest. (Business Day, 17 May, 1994).

- b) Many lending institutions encounter problems when attempting to repossess properties occupied by households which neglect or refuse to pay their monthly home loan instalments. Difficulties have been experienced when attempting to evict households from these properties in order that they may be sold to recover the financial losses incurred (Cape Times, 21 October, 1994). The political implications of large scale evictions for the new Government are extremely negative.
- c) According to Mr. John Rushforth of the CCC Shelter Unit, in the absence of a substantial housing market in the low-income black areas, many financial institutions are unable sell houses which have been repossessed. This is because most households living in these areas do not have the financial capability to purchase repossessed houses. Consequently, in the event of foreclosure, financial institutions are not guaranteed of being able to recover the capital loaned. This has contributed to the unwillingness of financial institutions to make housing credit available to low-income households.
- d) Many financial institutions are reluctant to offer housing credit to low-income households due to the administrative costs involved and the small returns made on these loans. According to Business Day (17 May, 1994), the costs involved in managing the relatively small loans required by low-income households are not considerably less than managing loans of a greater amount. The profit margin associated with these loans is however smaller. It is therefore unprofitable for financial institutions to provide low-income households with credit and this is one of

the reasons why they are reluctant to do so. Consequently, according to Business Day (17 May, 1994), the private sector mortgage market may be an inefficient way of directing finance towards these low-income households.

As a result, it was proposed by a number of financial institutions that in order to increase the profitability of these loans and to counter the high risks involved, that the mortgage rate be increased to 22.5 percent (Cape Times, 10 May, 1995). In response to this, Mr. Chris Ball executive chairman of the South African Housing Trust, claimed that if mortgage rates were increased to this level low cost housing would become unaffordable to approximately 70 percent of all households despite the financial assistance available through the subsidy scheme (Cape Times, 10 May, 1995).

- e) Most financial institutions are also unwilling to offer loans that may be used in the construction of poor quality housing (Business Day 17 May, 1994). Consequently, many financial institutions are reluctant to offer loans for the construction of houses in areas where no official local authority exists to maintain the current building standards. This is also applicable to cases in which a qualified contractor or developer has not been hired to undertake the construction of a formal house.
- f) According to Mazur *et al* (1995: 51) most financial institutions have stated that they will not lend to households earning less than R2000 per month. The reason for this is that the risk of non-payment is perceived to be highest among these households. This places a considerable degree of constraint upon the effectiveness of the current housing strategy as the majority of households in need of housing earn less than this amount. In addition, banks have also indicated that they are unwilling to lend to households under circumstances in which the monthly loan repayment constitutes more than 25 percent of monthly household income. The minimum repayment for

households earning a monthly income of R800 is R256 per month (table 6.2). This amount constitutes 32 percent of monthly household income. This percentage is greater for households earning less than R800 per month.

In conclusion, it is evident that a number of factors are presently contributing to the reluctance of private sector financial institutions to make housing credit available to low-income households. To a large degree, the primary reason for this may be seen to be the existing 'culture of non-payment.' This has resulted in financial institutions having to face greater risks of non-repayment than under normal market conditions. Consequently, at present few financial institutions are willing to offer housing credit to low-income households, and especially those earning below R2000 per month. This problem has been recognised by the State and attempts have been made to encourage households to repay their housing loans and monthly utility charges through the 'Masakhane' campaign (Business Day, 17 May, 1994).

The lack of private sector financial assistance is a primary constraint on the current housing strategy to provide households with the ability to obtain formal housing. In terms of affordability, it has been demonstrated that most low-income households are unable to acquire formal housing without additional financial assistance. At the same time however, it has been demonstrated that the large majority of low households will not be able to afford the costs associated with private sector lending even if it were available. It may thus be cogently argued that the task confronting the State is not only to encourage private sector financial institutions to provide low-income households with additional finance, but to also ensure that this finance is affordable.

6.3 THE POTENTIAL FOR UPGRADING.

Earlier in this study it was mentioned that a principal component of the current housing strategy is the policy of incremental housing. This policy is primarily directed towards households falling within the very low-income bracket which are unable to afford the costs of either buying or building a standard formal house. Most currently reside in informal "shack" dwellings with limited access to basic services. Moreover, they constitute the majority (74 percent) of low-income black households presently living in the Cape Metropolitan Area. It is therefore important that this strategy provides an effective means through which the housing needs of these households can be satisfied.

In terms of this strategy, households are expected to obtain formal housing in the long term by incrementally upgrading their current dwellings to this standard. It is anticipated that the financial assistance available to households through the capital subsidy scheme will provide the financial resources needed to initiate this process. The subsidy assistance available may be used by households in one of two ways:

1. To upgrade their dwellings through the provision of basic services. Any remaining income may be used to conduct minor improvements to the actual structure of these dwellings. For example, households may increase the size of their dwellings through an extension.
2. To buy or build a serviced site upon which to construct a temporary informal dwelling. This site consists of a base concrete slab with access to basic services. Overtime households are expected to upgrade the temporary dwelling constructed upon this site to the standard of formal housing.

However, the subsidy is not intended to cover the full costs of upgrading. It is sufficient to provide households with access to basic services and secure tenure over the land upon which their dwellings are located. Households are expected to improve the actual structure of their dwellings using their own financial resources and expertise. It is envisaged by the State that this is a more appropriate means through which very low-

income households may obtain formal housing. The reason for this is that it provides households with the flexibility to upgrade their dwellings upon an incremental basis and in accordance with their available financial resources. As such, they would not have to incur debts that they could not afford to repay. The potential effectiveness of this strategy however depends upon two important variables:

1. The willingness of households to upgrade their dwellings.
2. The ability of households to afford the costs associated with upgrading. This depends upon the amount of income households are able to allocate towards this purpose and hence the amount of discretionary income they possess.

There may however be a number of problems associated with this strategy. Doubts have been expressed as to whether households living in informal dwellings possess either the desire or financial capability to upgrade these structures to the standard of formal accommodation. Questions have also been raised as to how long this process will take. Given the sense of urgency surrounding the current housing crisis, this question is important.

The aim of this section is to assess the validity of these concerns and to evaluate critically the potential effectiveness of this strategy as a means through which very low-income households may obtain formal housing. Attention will be drawn to those factors which may limit the potential for households to upgrade their dwellings.

6.3.1 The Cost of Upgrading and Household Affordability.

As indicated, the policy of incremental housing is based on the understanding that households use their own financial resources to upgrade their dwellings to the standard of formal housing. However, the ability of households to afford the costs associated with upgrading largely depends upon the monthly incomes they receive and the amount of discretionary income that can be allocated towards this purpose. In this regard a number

of problems may be identified. Several factors exist which may constrain the ability of very low-income households to afford to upgrade their dwellings. These are:

1. The inability of households earning between R801 and R1500 per month to buy or build a serviced site using the amount of financial assistance available to them through the capital subsidy scheme.

According to Mr. Neil Ross, chairman of the Cape Town City Council (CCC) Housing Committee, the cost of a serviced site is R14000. This includes R9500 for the land upon which the site is located, and R4500 to provide the services (Argus, 21 May, 1994). Households eligible for subsidies of R15 000 are therefore able to use this financial assistance to obtain a serviced site. Moreover, they have remaining R1000 with which to make improvements to the temporary dwelling constructed upon this site.

However, it has been demonstrated that households earning between R801 and R1500 per month are unable to afford even the cost of a serviced site using the subsidy assistance available to them. These households are entitled to subsidies of R12 500. Thus in order to obtain a serviced site, these households need an additional R1500. According to Mr Ross it is unlikely that they have available, or will be able to obtain, this amount of additional capital (Argus, 21 May, 1994). This may be attributed to the low monthly incomes these households receive, the reluctance of private sector financial institutions to make home loans available and the fact that many do not possess savings.

The housing subsidy available to these households may however be used in one of two ways:

Firstly, households may use it to upgrade existing dwellings through the procurement of basic services. As indicated, the cost of providing basic services to an informal dwelling is R4500. However, without secure tenure it is unlikely that households will

be willing to use the financial assistance available to them for this purpose. They may also be reluctant to use their own financial resources to carry out further improvements.

Secondly, households may use the capital to purchase the land upon which their dwellings are located or an unserviced site elsewhere in the Metropole. This costs R9500. Although this land would not be adequately serviced, the prospect of home ownership *may* encourage households to make further improvements.

However, due to the manner in which funds are allocated to households through the capital subsidy scheme, most shack dwellers would probably be unwilling to make use of these options. The reason for this is that the subsidy assistance provided by the State is not paid directly to households concerned, but rather to organisations responsible for the provision of infrastructure (private developers or Local Authorities). Circumventing households prevents them from using this capital for purposes other than housing.

Consequently, although households may either purchase the land upon which their dwellings are located *or* obtain basic services, they do not have direct access to the amount of subsidy remaining (with which to improve the structure of their dwellings). Households may therefore be reluctant to use the subsidy for these purposes as they cannot make full use of the amount available. This will have detrimental effects upon the rate at which formal accommodation is generated.

2. The low incomes received by households earning less than R800 per month.

As indicated, households earning less than R800 per month are able to obtain a serviced site using the amount of subsidy assistance available to them (R15 000). However, given the amount of income they earn each month, it is unlikely that they will be able to afford to upgrade their dwellings to the standard of formal housing.

This may be attributed to the fact that these households do not possess sufficient discretionary income with which to do so.

Many of these households, and in particular those with 5 or more members, receive incomes that are less than the PHSL. Consequently, the amount of discretionary income these households possess and which may be used to upgrade their dwellings is minimal. This is compounded by the fact that in many cases, household income is not stable and may fluctuate with changes in employment and over time. It is for these reasons that it is unlikely that households earning less than R800 per month will be able to afford to upgrade their dwellings.

As indicated in the previous chapter, the majority of households have not made improvements to their dwellings, nor do they intend doing so. Of those households which stated that they would like to make improvements, the majority had not done so due to a lack of available finance. This point reiterates the fact that most of these households are at present unable to afford to upgrade their dwellings.

3. The higher costs associated with maintaining a serviced site.

Many very low-income households, and in particular those earning below R800 per month, may not be able to afford the utility charges associated with a serviced site. These costs pertain to the level of services provided and are similar to those associated with formal housing. This is particularly apparent with regard to the fact that these households have little or no discretionary income.

3. Current inflationary trends and escalating building costs.

The process of upgrading may take a considerable amount of time depending on the amount of income households are able to allocate towards this purpose. During this period it is likely that the costs involved will increase with inflation and escalating building costs. The ability of households to afford to upgrade their dwellings would therefore decrease over time if household incomes did not increase at the same rate as these inflationary trends. Given the current rate of unemployment (26 percent of low-income blacks in the Cape Metropolitan Area are unemployed) and the subsequent excess supply of labour, it is unlikely that household incomes will increase in the future.

Consequently, while some households may be able to afford to upgrade their dwellings at current prices, they may not be able to do so in the future. This will slow down the rate at which formal housing is generated and result in the existence of a number of unfinished, inadequate semi-formal houses. In addition, escalating building costs would probably result in households having to resort to the use of cheaper and less durable building materials. The quality of those structures built may therefore decline to standards below those currently accepted. This will have negative implications upon the lifespan of these structures and their resale value.

In conclusion, it is apparent that there are a number of factors which are likely to constrain low-income households in their ability to afford to upgrade their dwellings. These constraints raise the question as to whether it is realistically possible to expect low-income households to transform a basic impermanent shack structure into a multi-roomed formal brick house in the face of very low incomes and escalating building costs. The single most important constraint facing households attempting to upgrade their dwellings is the low monthly incomes they receive and subsequently, the limited amount of discretionary income they are able to allocate towards this purpose. Unless this constraint can be overcome, a situation is likely to develop in which largely unserved informal

dwellings are replaced with serviced shacks. In this regard, the efforts being made by the RDP to economically uplift the urban black population through job creation, education and private sector investment in the black residential areas are important.

In summary it is apparent that the success of the incremental housing strategy largely depends upon the ability of households, lacking in adequate financial resources, to upgrade their own dwellings. It is for this reason that the policy of incremental housing is an inappropriate response to the present housing crisis. As indicated, the majority of very low-income households do not possess the financial capability to upgrade the informal 'shack' dwellings in which they live to the standard of formal housing. This is particularly apparent with regard to those households earning less than R800 per month. These households constitute 42 percent of all low-income black households living in the Cape Metropolitan Area. It is therefore unlikely that this approach will prove an effective means through which the present housing crisis in the informal housing areas will be alleviated.

6.3.2 The Desire to Upgrade.

Earlier it was mentioned that the effectiveness of the policy of incremental housing also depends upon the willingness of households to upgrade their dwellings. Many low-income households may however be unwilling to do so irrespective of their ability to afford the costs involved. The aim of this section is to outline the reasons why many households may prefer not to upgrade their dwellings or use the subsidy assistance available to obtain a serviced site. These are as follows:

1. The preference of households to remain mobile.

In the proceeding chapter it was suggested that many households may be reluctant to upgrade their dwellings or obtain a serviced site as their lifestyles are (and are likely to remain) migratory in nature. Most low-income black households in the Cape

Metropolitan Area have originated from locations outside this area and have lived in a number of dwellings prior to that in which they currently reside. Many also have ties with family, relatives and communities situated elsewhere in the country and own property in these locations. These factors indicate that complex migratory patterns exist both within, and between, the Metropole and other locations.

By extension, many households may not perceive themselves to be, or want to be, permanent residents of the metropolitan area. Instead, they may prefer to migrate between different areas (both within and between the Metropole and other locations) in accordance with the availability of employment and income. Furthermore, of all low-income black households living in the Cape Metropolitan Area, 33 percent stated that they intended returning to the Eastern Cape on retirement. This is particularly apparent amongst those households living in hostels and informal dwellings.

The implication of this is that many households may be unwilling to upgrade their dwellings as this infers a sense of permanency and reduces their ability easily to relocate. By obtaining a serviced site households also acquire secure tenure over their properties. This in itself may be undesirable for a number of reasons.

Of particular importance is the fact that presently no substantial housing market exists in the black low-income residential areas. After obtaining a serviced site, households may therefore experience difficulties when attempting to sell this property. This may be attributed to the fact that few households have available the financial resources necessary to purchase such a property. Furthermore, the present market value of an informal dwelling is estimated to be between R800 and R900. Households will therefore be reluctant to buy a serviced site costing R14000, or to upgrade their dwellings, for the reason that if they were to sell they would stand to make a considerable financial loss on their investment. Housing is consequently not yet a

viable investment. In addition, the process of upgrading may take a considerable amount of time. Some households may be reluctant to make such improvements as they might not intend remaining in any one location for that length of time necessary.

In conclusion, it is unlikely that potential migrant households will be willing to upgrade their dwellings or use the subsidy assistance available to them to obtain a serviced site. The primary reason for this is the sense of permanency associated with owning a formal house in which considerable economic investment has been made. This will have detrimental effects upon the rate at which formal housing is generated and illustrates the inability of the policy of incremental housing to cater for the housing needs of migratory households.

2. The length of time associated with upgrading.

The time period over which households can expect to upgrade their dwellings to the standard of formal housing depends upon the financial resources and amount of time they are able to allocate towards this purpose. Many households are constrained however in terms of these variables because of the low monthly incomes they earn and the amount of time spent away from their dwellings (working hours and travelling time). Consequently, upgrading is likely to be a long term process and may take many years.

However, given the poor living conditions and inadequate state of accommodation in the low-income black residential areas (and in particular the informal housing areas), many households may be reluctant to wait this long before being able to obtain formal housing. The sense of urgency surrounding the current housing crisis is illustrated by the fact that over 80 percent of all households stated that formal housing was their primary development need. Coupled to this, expectations regarding housing have also

been raised by the State over the past two years through 'promises' to alleviate the housing crisis. Many households therefore expect their housing needs to be satisfied in the short term.

Consequently, the considerable time period associated with upgrading may lead to further discontent and reluctance on the part of households to upgrade their dwellings. Many households may prefer to wait until a more appropriate means through which formal housing can be provided in the short term is put forward.

3. The 'disruptions' associated with the process of 'roll over' upgrading.

The technique of 'roll over' upgrading involves the relocation of households to different areas within the Metropole where they may either build or purchase a serviced site. This approach is favoured by the Serviced Land Project (SLP) of the RDP. The advantage of this approach is that it enables new informal settlements to be established in an orderly manner amenable to the provision of roads, street lighting and basic services. Due to the often unordered location of dwellings in existing informal settlements, service provision is difficult. However, the process of relocation disrupts the fragile support networks that exist within these communities. Many households rely upon these support networks and their disruption may lead to further impoverishment (Mazur *et al* 1995: 52). Consequently, many households may be reluctant to partake in this form of upgrading.

4. The psycho-social effects of living in informal settlements.

According to Dewar (1995: 4), "a home is more than a house" and in order to fulfil their potential individuals and households require not only adequate shelter but also other less tangible attributes such as a sense of belonging, warmth and security. Within the context of the urban environment, it is important to recognise that "humans are social creatures depending on interaction and social support systems. The quality

of the urban environment is a crucial determinant of the degree to which individuals, families and groups become socially functional or dysfunctional” (Dewar 1995: 4). By extension, this implies that the motivation for individual households to upgrade their dwellings may be negatively affected by the urban environments in which they live.

It can be argued that it is unrealistic to expect households living in severely degraded urban environments and in conditions of relative and absolute poverty to find the motivation to upgrade their dwellings. Households are more likely to perceive upgrading as being futile and meaningless considering the surrounding conditions in which they live. This suggests that in order to motivate households to upgrade their dwellings, the urban environments in which they live first need to be improved in order to provide the conditions that are conducive to this process. Households living in clean, well maintained urban environments with access to adequate Municipal infrastructure and public facilities (such as tarred roads, pavements, streetlighting, recreational centres, hospitals and schools) are more likely to be willing to improve their dwellings than households living in conditions of degradation and poverty.

6.4 HOUSING NEEDS AND PREFERENCES.

It may be cogently argued that in order to prove effective current housing policy should not only provide individual households with the ability to obtain formal accommodation, but also that type of housing they need and desire (Mazur *et al* 1995: 52, Spiegel *et al* 1994: 1). This is an integral part of the ‘bottom-up’ approach to housing delivery that has been adopted by the new Government. According to Spiegel *et al* (1994 : 1), this approach calls for greater consideration to be given to the specific characteristics of individual households that affect the type of housing they demand. These characteristics include socio-economic status, stage in the life-cycle, composition, income, education and training, employment opportunities and the propensity to migrate.

Housing 'demand' in this sense refers to the actual type of shelter, basic services, tenure arrangements and location in the urban framework that specific households need and desire. These needs will vary in accordance with those household characteristics already mentioned. Consequently, because individual households have different characteristics, one may expect to find a diverse range of housing needs between households within the same community or location. For example, depending upon their propensity to migrate, some households may want secure tenure over their properties while others may prefer to rent their dwellings. This diversity has been well documented in the previous chapter.

In order to accommodate this diversity, it has been suggested that the current housing policy should adopt a set of principles and an outlook that is more dynamic and flexible than those of the past. This will ensure that housing policy remains responsive to peoples' needs and any changes that might occur over time (Spiegel *et al* 1994: 1). Hence, according to Mazur *et al* (1995: 52), to be an effective means through which households may obtain that type of housing they desire, "policy needs to respond to the diversity that exists 'on the ground,' i.e. amongst those people whose needs it purports to address" (Mazur *et al* 1995: 52). Failure to do so may result in increased levels of discontent and the provision of shelter that does not adequately satisfy the particular housing needs of those households concerned. Many households may also be reluctant to partake in the process of formal housing provision if they are unable to obtain that type of accommodation they want. This will have detrimental effects upon the rate at which formal housing is generated and the housing crisis alleviated.

The aim of this section is to assess the degree to which the current housing policy provides households with that type of housing they desire. Before proceeding however, it is necessary briefly to restate the type of housing this policy intends to provide. This will serve as a basis from which to assess the extent to which this housing satisfies the actual needs of those households concerned.

It has already been made apparent that the current housing strategy is intended to provide households with the ability to obtain one of three types of housing, namely:

1. a standard formal house
2. a starter house
3. a serviced site

The term 'standard formal housing' refers to the brick housing commonly found in existing black urban 'townships'. These houses are serviced and comprise 2 to 3 bedrooms with a total floor area of between 36 and 24 square metres. The plot size is 150 square metres. This is the minimum standard of accommodation that households are expected to be able to obtain through the current housing strategy. The time period and manner in which households acquire this type of housing however depends upon household income and their ability to obtain private sector home loans. Households unable to afford the costs associated with this form of accommodation are expected to purchase a one roomed brick starter house, or a serviced site. It is envisaged that households will use of their own resources to upgrade these dwellings to the standard of formal housing over varying time periods according to their particular circumstances. In all cases households are expected to possess formal tenure over these types of housing.

It is through these means that the DOH has attempted to accommodate the diverse housing needs and characteristics of low-income black households. The question therefore remains whether these options effectively satisfy the particular needs of those households concerned and whether they are in fact desirable.

6.4.1 Actual Housing Needs and Preferences

The need for formal housing is undisputed. Eighty four percent of all low-income black households in the Cape Metropolitan Area indicated that formal housing was their primary development need. Furthermore, 65 percent of households stated that they were dissatisfied with their present dwellings. This response was most apparent amongst

households living in informal 'shack' dwellings, although a large proportion of households residing in formal houses also stated that they were dissatisfied. At this point it is necessary to consider the type of formal housing needed.

Type of Housing Needed.

Research has indicated that of those households which are presently dissatisfied with their dwellings, 94 percent claimed that the reason for this was the actual nature of these structures. More specifically, almost half of these households indicated that the primary cause of dissatisfaction was the fact that their dwellings were too small. This opinion was most notably expressed by households living in formal houses, hostels and backyard shacks. Many households living in free-standing shacks also identified this but in addition, drew attention to other causes such as leaking and the risk of fire.

The need for more spacious accommodation is also apparent among households planning to improve their dwellings. Sixty six percent said that they wanted to increase the actual size of these structures. Households which had considered moving in order to improve their living and housing conditions claimed that in doing so they hoped to obtain accommodation that was not only more spacious, but that also had access to basic services.

It is therefore apparent that not only do most households need formal brick housing, but that they want houses that are both serviced and large enough to accommodate a number of individuals without the risk of overcrowding. Fifty eight percent of dwellings are currently overcrowded. This problem is particularly apparent amongst households living in free-standing and backyard shacks. The majority of hostel dwellers also stated that overcrowding was a principal concern.

As indicated, the type of formal housing the DOH anticipates households should obtain through the current housing policy comprises 2 to 3 bedrooms with a floor area of between 24 and 36 square metres. Overcrowding is said to exist when more than one person resides in a single living room (Mazur *et al* 1995: 31). Given the fact that the average household size is between 4 and 5 persons it is evident that in order to avoid overcrowding, households need to be able to obtain accommodation with a minimum of 3 to 4 bedrooms. In this sense the type of housing provided through the current housing strategy does not make adequate provision for the space requirements of most low-income households. The inadequacy of the existing housing stock in this regard is also made apparent by the fact that 39 percent of all formal houses are presently overcrowded.

In addition, this strategy does not take into account the fact that it is likely to take households living in informal dwellings a considerable amount of time to upgrade these structures. Most of these dwellings are presently overcrowded with an average of 3 to 4 people living in shacks with only 1 or 2 rooms. The current housing strategy therefore needs to address this problem and provide households with the ability to obtain formal housing that is not only affordable, but that also satisfies their space requirements in the short-term. Failure to do so will result in many households having to live in overcrowded conditions for a considerable amount of time into the future.

Preferred Tenure Arrangements.

With regard to housing tenure arrangements, research has shown that 55 per cent of all low-income black households would prefer to rent their accommodation. Hence, the majority of households do not desire secure tenure over their dwellings. This was most apparent amongst households living in informal dwellings and hostels. Of those households which indicated that they would prefer to own their dwellings (45 percent of all households), most live in formal houses that they already own.

The fact that a large proportion of households would prefer to rent their dwellings may be attributed to a number of reasons:

1. The majority of very low-income households cannot afford to obtain formal housing or to upgrade their present dwellings to this standard. The option of renting provides households with the ability to gain access to this form of accommodation while avoiding the costs associated with buying or building a formal house. It is therefore perceived to be a more affordable means through which households can satisfy their accommodation needs. Monthly costs would be incurred nevertheless.
2. The process of upgrading may take a considerable amount of time depending upon the availability of household income. By renting an existing formal house, households are able to gain immediate access to the benefits of formal housing.
3. Many households are migratory and may not want to own their dwellings due to the sense of permanency and the uncertainty of recouping capital investment associated with home ownership. The option of renting allows these households to enjoy the benefits of formal accommodation for as long as they desire in any one location. In this way they are able to remain mobile and can easily relocate to different areas without having to negotiate the difficulties associated with selling a formal house.

The inadequacy of current housing policy in this regard is apparent in the fact that provisions have not been made for households wanting to rent formal accommodation. A principal feature of this strategy is that households obtain secure tenure over their properties. As indicated however, the majority of households do not want secure tenure over their dwellings. This strategy is therefore an inadequate response to the tenure needs of most low-income households.

In addition, this problem is likely to have detrimental effects upon the rate at which formal housing is generated. Without the financial means to obtain formal housing or the option of renting this type of accommodation, most low-income households will not be

able to satisfy their housing needs. In order to solve this problem, it may be argued that housing policy needs to:

1. Empower very low-income households with the financial ability of obtain formal housing. This could be achieved by increasing the level of subsidy assistance available to households and decreasing the costs associated with acquiring this form of accommodation (through State regulation of construction costs and home loan repayments).
2. Allocate State funds towards the provision of mass rental housing. This would provide households that are unable or unwilling to buy or build a formal house with the ability to obtain this form of accommodation on a rental basis.

For a number of reasons the State may however be unwilling or unable to implement these measures. Funding with which to increase the level of subsidy assistance available to households or provide State rental accommodation is presently unavailable. In conjunction with the low incomes households earn, this is the primary constraint facing the State in its attempt to solve the housing crisis. Problems associated with financing the current housing strategy will be discussed later.

According to Mr. Basil Davidson, chairman of the Western Cape Community Based Housing Trust , in order to provide rental accommodation the State may be able to use the funds allocated to households through the capital subsidy scheme. However, these funds are at most only sufficient to provide single roomed rental dwellings (starter houses). Given the average number of persons per household, this type of accommodation is unsuitable for households of this size. In order to effectively provide households with the type of rental housing they need, dwellings with a minimum of 3 or 4 rooms would have to be constructed. It is estimated that to build this type of housing it would cost in excess of R30 000 per unit. However, State funds with which to construct this type of rental accommodation on a mass scale do not presently exist. The State is thus currently financially unable to satisfy the need for adequate rental accommodation.

Alternatively, in light of these financial constraints it can be argued that the State should attempt to encourage increased private sector involvement in the provision of rental accommodation. However, private sector developers will in all likelihood be reluctant to enter into this market for reasons already stated *viz*:

1. In view of the present 'culture of non-payment' private sector developers may be unwilling to provide rental accommodation due to the problems that may be encountered with regard to monthly rent payments. In addition, developers may experience difficulties when attempting to evict households which are unable or unwilling to pay these rents.
2. In the absence of a substantial housing market in the low-income black residential areas, developers may be unable to sell these dwellings in the event that they should need to do so. They would also stand to make a considerable financial loss as most households cannot afford the full cost of buying a formal house. Housing in these areas is therefore not a viable investment and its value is unlikely to appreciate over time.

Consequently, private sector developers and investors are unlikely to provide mass rental housing in the low-income black residential areas.

A strong possibility exists that *assuming* households were given the option of either renting a formal house costing R30 000 or using the housing subsidy to obtain their own accommodation, it is unlikely that many would select the option of home ownership. Home ownership is however a principal component of the current housing policy. The reasons for this are as follows:

Firstly, it is anticipated that home ownership will provide households with an incentive upgrade their dwellings and improve the quality of the urban environments in which they live. In addition, home ownership also provides low-income households with an asset. This may be used as the basis for further economic and social upliftment allowing households to improve their overall living standards.

Secondly, home ownership provides households with access to basic political rights. It was for this reason that blacks were not permitted to own land during the settler colonial

and Apartheid eras. Home ownership is thus an important component in the overall process of democratisation in the country. Consequently, the State is unlikely to sanction an approach towards solving the current housing crisis which does not incorporate the principal of home ownership.

Furthermore, State provision of rental accommodation does not comply with the notion of community participation in the housing delivery process. Community participation is an integral component of the 'bottom-up' approach to housing delivery and characterises the current housing strategy. It is anticipated that through community participation, households are not only able to play an active role in the provision of their own housing, but will also gain important skills and knowledge (for example construction skills and those pertaining to financial management). These skills may be used to obtain higher paying jobs and will contribute towards the social and economic upliftment of low-income households. However, the provision of rental accommodation by the State does not enable households to participate actively in the housing delivery process. By extension, households will not be able to benefit from the skills and knowledge they might gain through participation. For this reason the State is reluctant to act as the sole provider of formal accommodation. However, if community participation was implemented and current housing initiatives truly reflected a 'bottom-up' approach (and was successful), the needs, demands and preferences of households would be made explicit and reflected in policy.

In conclusion, despite the apparent need for rental housing, it is evident that the State is both unable and unwilling to provide households with access to this form of accommodation. As indicated however, without the financial ability to obtain formal housing or upgrade their dwellings to this standard, rental accommodation may be the only means through which very low-income households can improve their living conditions and gain access to formal housing. Given the magnitude and sense of urgency

surrounding the housing crisis, consideration should therefore be given to this option. While not ideal, it may serve as a useful measure to alleviate the current need for formal housing.

6.4.2 Conclusion.

The above analysis suggests that a range of housing *tenure, sizes, types* (such as tenements, cluster homes, town houses and flats) and *location options* are needed in order to respond effectively to the diverse needs of low-income households. It has been demonstrated that most households want 'large' serviced dwellings and over half would prefer to rent their dwellings as opposed to owning these structures. The current housing strategy does not however make provision for these needs. It is therefore an inadequate response to the actual housing needs of low-income households. Consequently, it may be cogently argued that in order to be effective, this strategy needs to not only provide households with the ability to afford to obtain formal housing, but that it must also take into consideration these preferences. In particular, greater emphasis needs to be placed upon the provision of rental accommodation as a means towards solving the present housing crisis.

6.5 OTHER PRACTICAL LIMITATIONS OF THE CURRENT HOUSING POLICY.

So far this chapter has identified the principal limitations associated with the current housing policy. These limitations suggest that this policy is an adequate means through which low-income households may satisfy their housing needs. As such, it may be cogently argued that it does not provide an effective solution to the current housing crisis characterising the black low-income residential areas. In addition, a number of other problems and limitations may be identified. These pertain to the practical difficulties

which are likely to be encountered when implementing this policy. The aim of this section is to identify these limitations and demonstrate how they impact upon the potential effectiveness of this policy. These limitations are as follows:

1. According to Mr. Neil Ross, chairman of the Cape Town City Council (CCC) Housing Committee, it is doubtful whether Local Authorities will be able to afford the costs they have to bear in terms of implementing the policy of incremental housing (Cape Times, 17 May, 1994). These include:
 - a) The cost of land upon which serviced sites can be constructed. A part of this cost will be recovered through the sale of sites to individual households. However, Local Authorities will have to bear the cost of the land surrounding these sites upon which municipal infrastructure can be constructed (roads, pavements, drainage pipes and electricity pylons).
 - b) The construction of infrastructure needed to provide adequate basic services to these sites. This infrastructure includes waste water treatment plants, electrical sub-stations and water pipes. Local Authorities will also have to bear the costs associated with maintaining this infrastructure.

Considering the scale of the housing development that is expected to occur, the CCC is concerned that Local Authorities will be unable to afford these costs. This is compounded by the fact that the availability of municipal funds is likely to be constrained by the existing 'culture of non-payment.' Many very low-income households may also be unable to afford to pay their monthly utility charges or other municipal rates and taxes. Without an adequate and reliable tax base, it is unlikely that Local Authorities will be able to afford the costs associated with providing and maintaining services to these areas. It is therefore imperative that the State succeeds in its initiatives to reverse the 'culture of non-payment' and persuades households to pay their utility charges and other municipal taxes (Cape Times, 17 May, 1994). Failure to do so is likely to result in the eventual collapse of these Local authorities and a further decline in housing and living standards.

2. Concerns have also been expressed with regard to the town planning issues surrounding this policy. According to Mr. John Rushforth of the CCC Shelter Unit, the State intends locating most of the new housing development upon the periphery of existing urban areas. The reason for this is that insufficient land exists within the urban areas upon which to build mass low cost housing. Furthermore, land located upon the periphery is cheaper. However, according to Rushforth this may cause additional problems by decreasing the level of 'efficiency' within these urban areas and impose costs of urban sprawl on the wider Metropolitan area.

In addition, people living in these peripheral settlements will have to travel long distances in order to reach their places of employment. The cost of travelling these distances is likely to reduce the amount of income households are able to otherwise direct towards improving their living and housing conditions. Large tracts of low-income housing also implies low economic thresholds that will not attract private sector office, retail and service functions. This contradicts the aim of incorporating the black residential areas into the overall socio-economic development and growth of the urban environment.

It was suggested by the same source, that in order to counteract these problems, high density council flats could be built closer to the city centre and places of employment. However, the current State housing subsidies do not provide adequate finance with which to embark upon such costly building projects. The cost of providing low cost accommodation in this way may in fact prove to be greater than single housing units. This is attributed to the cost of building high density council flats and the high price of land closer to the city centre. Many very low-income households may also be unable to afford the increased monthly rentals associated with accommodation located upon 'prime' land within the city. In addition, Local Authorities are likely to be unwilling

to provide rental accommodation in view of the existing 'culture of non-payment.' Against this, this type of accommodation would be more permanent and 'controllable' in terms of maintenance.

3. Many low-income households are experiencing problems accessing their individual housing subsidy grants (Mr. John Rushforth, CCC Shelter Unit, interview 1995). The reason for this is that the State is presently unwilling to approve subsidy applications being made by individual households. Instead, preference is being given to applications for project linked subsidies. Seventy percent of funds made available to the capital subsidy programme have been directed towards this type of subsidy. This has placed considerable constraint upon the ability of individual households to obtain formal housing and to improve their living conditions.

The nature of project linked subsidies has already been discussed. It is important to note that the effectiveness of this type of subsidy depends upon the ability of those households involved to reach consensus on the type of housing that will be provided. It is at this point that problems are being encountered. Most communities are presently experiencing difficulties in forming community based organisations through which discussions may be held. In addition, because of the different housing needs and resource constraints of each household involved, consensus with regard to the type of housing that will be provided using this subsidy is difficult to reach (New Nation, 6 October, 1995). This is compounded by the fact that the Group Areas Act placed households with differing socio-economic characteristics within the same area (Mr. Philip Romanowski, CCC Urban Studies Unit, interview 1995).

This problem is also being exacerbated by the violence in many informal settlements and the political power struggles occurring between different 'warlords.' Private developers have been unable to assess the specific housing needs of these communities as they fluctuate with changes in community leadership. Housing projects involving private developers have therefore been delayed as many developers have as yet not

been presented with a comprehensive and final development proposal by those communities involved. The State therefore needs to implement measures that will enable households to reach consensus on the type of housing they desire.

4. According to Mr. John Rushforth (CCC Shelter Unit, interview 1995), low cost housing projects utilising private developers on a project linked subsidy basis are inflexible and do not cater for the specific housing needs and resource constraints of those households involved. Developers are only willing to construct houses on a mass scale that are homogenous and conform to the same specifications. The reason for this is the additional costs involved when building houses that conform to the needs of individual households. Consequently, households may receive accommodation that does not meet their specific requirements and which might be too costly to maintain.
5. Another problem currently hindering the effective implementation of housing policy is the lack of effective official representation (local government) in the low-income black residential areas (particularly the informal housing areas. According to Mr. Philip Romanowski, head of the Urban Studies Unit at CCC, due to the restructuring that is taking place at this level within the Cape Metropolitan Area adequate representation of this kind does not exist. It is anticipated that the Local Government elections scheduled for 1996 will solve this problem.
6. The availability of land upon which to build low cost houses and site and service projects is being constrained by the continuing process of land invasion by 'squatters' upon the periphery of most urban centres in the country (Cape Times, 22 June, 1994). These invasions are the result of the current shortage of low-income housing within the urban areas. At the same time however, they constrain the process of housing delivery by depleting the amount of land available upon which low cost housing development may take place. Furthermore, when land that has been allocated to particular households is subsequently invaded by 'squatters,' tension between these

two groups becomes a social and political problem and prevents those households eligible to live upon this land from initiating their own housing developments (The Argus, 8 June, 1994).

7. Poor quality workmanship and failures in some instances to adhere to proper building standards have also resulted in set backs to the housing delivery process (The Argus - City late, 28 June, 1994). For example, in July 1994, 450 low cost homes in Delft were damaged by a winter storm. The scale of the damage was attributed to the fact that the houses had not been properly constructed (Cape Times, 7 July, 1994).
8. According to the New Nation (6 October, 1995), another problem hindering the implementation of housing policy is that a large proportion of the funds that were allocated to the DOH in the past two years (R4.32 billion) have remained unspent. In addition, most of the 200 000 project-linked subsidy grants that have been approved in the past year, have not as yet reached their beneficiaries. This was attributed to the continued absence of legitimate Local Authorities. Consequently, "few of these subsidies, while approved, have been translated into tangible homes" (New Nation, 6 October, 1995)

6.6 CONCLUSION.

The analysis contained in this chapter represents a critical evaluation of the current housing strategy as a means towards solving the black housing and community development crisis. It has been demonstrated that, in its present form, this policy does not represent an appropriate solution to this problem and that the measures contained within it are unlikely to provide *all* black low-income households with the ability to obtain formal accommodation and to satisfy their particular housing needs. This is particularly apparent with regard to households falling within the very low-income category (earning less than R1500 per month), many of whom live in shack dwellings and are in most need

of adequate housing. As such, the information contained in this chapter supports the hypothesis stated at the beginning of this study that the current housing strategy is an inappropriate means through which the existing low-income housing crisis may be solved.

It has been demonstrated that very low-income (earning less than R1500 per month) households are currently unable to afford to buy or build a standard formal house. This is despite the measures contained within the current housing strategy to provide households with the means to obtain formal accommodation in this manner (notably the financial assistance available through the capital subsidy scheme). In addition, it has been shown that many of these households are unable to afford the costs associated with upgrading their existing dwellings to the standard of formal housing.

It is thus apparent that one of the primary constraints limiting the effectiveness of the current housing strategy is the limited financial resources very low-income households possess and which may be directed towards the provision of adequate formal accommodation. This suggests that one of the reasons why the current housing strategy is inappropriate is that it does not adequately take into account the financial constraints facing these households and that it places too much responsibility on their ability to provide their own formal accommodation. It may be argued cogently that it is unrealistic to expect households living in conditions of poverty and deprivation and which earn very low incomes, to transform a basic shack dwelling into a multi-roomed, brick formal house using their own resources and with only limited financial assistance from the State and private sector. By extension, greater cognisance needs to be taken of the financial constraints these households face. Moreover, this suggests that the subsidy assistance available to low-income households needs to be increased and building costs reduced in order to make formal accommodation more affordable and accessible.

Low-income households also experience extreme difficulties in obtaining additional financial assistance from the private sector in the form of home loans or bonds. Only households earning in excess of R1500 per month are able to afford to buy or build a formal house using their own financial resources, the subsidy assistance available and private sector credit. However, only 26 per cent of low-income black households in the Cape Metropolitan Area occupy this category. Increased efforts therefore need to be directed towards overcoming the existing 'culture of non-payment' and towards encouraging the private sector to make affordable home loans available to low-income households.

This chapter has also demonstrated that in many ways the current housing strategy is inappropriate because it does not adequately take into account the actual and diverse housing needs, perceptions and locational requirements of low-income households. While the need for formal accommodation is overly apparent, 55 per cent of households expressed the desire for rental housing and for 'large' houses capable of accommodating a number of family members without the risk of overcrowding. The current housing strategy makes no provision for rental accommodation and the type of houses to be provided through this scheme do not adequately satisfy the space requirements of many households. In addition, it has also been shown that many shack dwellers are migratory and may not want secure tenure over their dwellings. Moreover, many of these households may be unwilling to upgrade their dwellings as they are presently unable to recoup their investments through the sale of these properties. These factors suggest that greater attention needs to be given to the form, size and location of low cost housing and the actual needs and preferences of low-income households.

In conclusion, it is evident that for a number of reasons the current housing policy is an inappropriate means through which the current housing crisis may be solved and the accommodation needs of black low-income households satisfied.

CHAPTER SEVEN

Conclusion.

This study has been concerned with the current low cost housing and community development crisis characterising virtually every urban area in South Africa. It has been shown that this crisis is largely confined to the low-income black population and that it is manifest primarily in a shortage of adequate formal housing, Municipal infrastructure and public amenities in the black urban residential areas. It may be argued cogently that solving this crisis represents one of the most formidable challenges facing the new Government of National Unity and important if it is to fulfil its' promise of "providing a better life for all South Africans" (Joe Slovo, Former Minister of Housing, Botshabelo, October 1994).

In absolute terms, the magnitude of this problem is reflected by the fact that a shortage of approximately 1.5 million formal housing units presently exists in the country (DOH 1994: 17). Moreover, it is estimated that this backlog is increasing at a rate of 200 thousand units per annum. The shortage of adequate housing has forced many black low-income households to resort to finding accommodation in the overcrowded former black residential areas ('townships') or to construct their own shack dwellings in the informal 'squatter' settlements. Approximately 1.06 million households (mainly black) are currently living in conditions of relative and absolute poverty in free-standing shacks located on the periphery of most South African cities and towns. The recent growth of these informal settlements bears testimony to the shortage of adequate and affordable low cost formal housing in the urban areas.

However, the housing crisis is not confined solely to the existing shortage of formal accommodation. Of equal importance is that most black residential areas are undeveloped in terms of municipal infrastructure and public facilities such as, tarred roads, street lighting, sanitation, schools, hospitals, libraries and recreational centres. Many of the

dwellings also lack access to adequate basic services (water, sewerage and electricity) and in particular, those located in the informal settlements. Most of these areas are characterised by low households incomes, relative and absolute poverty, poor living conditions, violence, urban sprawl, overcrowding and environmental degradation. In addition, the majority of households living in the black residential areas lack the resources (both financial and personal) to improve their living conditions and community environments. These problems have been exacerbated by a lack of private sector investment in these areas and adequate Municipal representation. Consequently these residential areas do not represent viable community environments in which people can improve their standards of living and socio-economic circumstances.

It has been demonstrated that the origins of this crisis lie in the repressive and exploitative measures implemented during the past settler colonial and Apartheid (separate development) eras to maintain blacks in the subordinate socio-economic and political position to which they had been assigned. These measures served to protect the economic and political interests of the dominant white population. It has been argued that the present is a legacy of the past and that the measures introduced during this period are largely responsible for the psycho-social deprivation, poor living conditions, poverty and shortage of adequate housing characterising the black residential areas today.

In response, the new Government of National Unity has recently formulated and begun implementing two important strategies designed to overcome the current shortage of low cost formal housing and to develop the black residential areas into viable and self-sustaining community environments in which socio-economic development can be fostered and living conditions improved. These strategies are embodied in the National Housing Policy and the Reconstruction and Development Programme. Over the past 18 months however, much criticism has been directed against these policies and doubts have been expressed as to their appropriateness and potential effectiveness as means towards solving the current housing and community development crisis.

The principal aim of this study has been to evaluate critically the policies and approaches being adopted by the new Government in its attempt to alleviate the existing problems relating to the former black residential areas ('townships') and the informal 'squatter' housing areas. More specifically, this analysis has been directed towards a critical examination of the current National Housing Policy. The purpose of this appraisal was to determine whether the current housing policy represents an effective and sustainable working solution to this problem and an appropriate means through which low-income black households can obtain the type of formal accommodation they both need and can realistically afford.

Current housing policy is based on the notion that individual households play an active role in the provision of their own formal accommodation and that they bear a large part of the costs involved. Due to a lack of sufficient financial resources, policy has not been directed towards the mass provision of low cost State housing. Instead, the State anticipates that the current housing policy will act as a catalyst to the process of housing delivery, providing low-income households with the initial financial resources needed to obtain formal accommodation and the social and economic 'climate' in which to do so. This is to be achieved primarily through the capital subsidy scheme and by encouraging private sector lending institutions to make home loans available to low-income households. Using these measures households are expected either to buy or build a formal house or to upgrade their present dwellings incrementally to this standard. Upgrading refers mainly to households presently living in informal 'shack' dwellings. Much of the responsibility of solving the existing shortage of formal housing therefore rests upon those households involved.

However, it is argued that in order to prove effective, housing policy must however take into account the *actual* housing needs, resource constraints (notably income), perceptions and socio-economic circumstances of low-income black households. This is considered to be an essential component of the 'bottom-up' approach towards housing delivery described above and is crucial if housing policy is to provide households with the ability

to obtain the type of accommodation that satisfies their needs and recognises their resource constraints. The point here is that if the State does not intend taking full responsibility for the provision of low cost housing, then housing policy must ensure that individual households are capable of obtaining the accommodation they require. This implies that policy must make adequate provision for the constraints (particularly financial) facing households in this regard and that it must be able to cater for the diverse range of housing needs (form, size, location and tenure arrangement) that exist among low-income households.

Earlier it was mentioned that this study was based on the hypothesis that current housing policy is not an effective, long-term solution to the existing low cost housing and community development crisis. It has been argued that this policy does not adequately take into account the actual housing needs and resource constraints facing low-income households and does not represent an appropriate means through which households can obtain the type of housing they require and can afford. Evidence supporting this hypothesis has been presented and is based upon research into the actual housing needs, resource constraints and socio-economic characteristics of low-income black households living in the Cape Metropolitan Area.

In summary, the principal reasons why the current housing policy is inappropriate include:

1. Despite the financial assistance offered to households through the capital subsidy scheme most (76 per cent) currently lack the financial resources needed to be able to obtain formal accommodation or to upgrade their dwellings to this standard. It has been shown that most households are unable to afford the costs involved with constructing a formal house or the monthly loan repayments associated with borrowing money for this purpose. This suggests that policy makers have not adequately considered the financial resources available to low-income households and in particular those earning below R1500 per month.

2. Moreover, it may be argued that housing policy relies too heavily on the involvement of the private sector in low cost housing delivery and on the ability of households to obtain additional financial assistance from private sector lending institutions. Evidence has shown that most financial institutions are currently unwilling to make home loans available to low-income households due to the risks involved.
3. Policy does not take into account the mobility of low-income households and their long term locational requirements and preferences.
4. The current housing policy makes no provision for households which may prefer to rent formal accommodation as opposed to possessing secure tenure over their dwellings. Fifty five per cent of low-income black households, the majority of whom live in the informal housing settlements, expressed the desire for rental accommodation.
5. Emphasis has been placed on project linked housing subsidies and the provision of low cost housing by private developers. This effectively prevents individual households from playing a determinate role in obtaining the type of housing they require despite the call for increased community participation. Moreover, inadequate consideration has been given to the fact that many low-income communities lack the mechanisms through which public discussions can be held and consensus reached on the type of housing that will be provided by developers.
6. The type of housing the State envisages households should be able to obtain through the current housing strategy may not necessarily suit their actual accommodation needs. In particular, these houses are too small and do not counteract the problem of overcrowding. Increased attention needs to be given to the form and size of housing to conform with what low-income households desire.
7. The process of upgrading may take a considerable period of time considering the small amount of income households are able to allocate to this purpose. Despite the sense of urgency surrounding the need for adequate accommodation, the policy of incremental housing does not provide an effective short-term solution to the housing problem and many households may have to continue living in sub-standard housing for many years to come.

8. Insufficient institutional capacity exists 'on the ground' to implement the current housing strategy and most Local Authorities lack the financial resources needed to fulfil their obligations in this regard. This suggests that the resources within the urban environment need to be effectively redistributed to those areas in most need of development (Municipal infrastructure, public amenities and housing).

For these reasons it may be cogently argued that the current housing policy is an inappropriate means through which the low cost housing and community development crisis may be solved and low-income households provided with adequate and affordable formal accommodation that suits their particular needs. They suggest that greater consideration needs to ^{be} given by policy makers to the actual accommodation needs of low-income households, their locational preferences, socio-economic circumstances and financial constraints and the diverse nature of these characteristics. According to Mr. Basil Davidson (chairman of the Western Cape Community Based Housing Trust, 1995, interview), "what is needed is a complex response to a complex set of realities." Solutions to the housing problem need to be informed by the particular situations 'on the ground' and not simply imposed from the top.

It is apparent that the primary constraints facing low-income households in their ability to obtain formal housing are the low incomes they earn and the costs associated with this type of accommodation. It may be argued that it is unrealistic to expect households living in conditions of deprivation and poverty and which earn very low monthly incomes to transform a basic wooden or tin shack into a multi-roomed, serviced, formal house. This implies that the State needs to identify ways in which low-income households can increase their monthly earnings and in which the costs associated with constructing formal accommodation can be lowered to more affordable levels. It has been suggested that a number of possible measures exist through which this could be achieved.

The level of subsidy assistance provided to low-income households could be increased so as to reduce the financial burden of obtaining adequate housing placed on households. This would also decrease and the amount of additional finance households need to borrow from private sector financial institutions for this purpose. The inadequacy of the present levels of State subsidy assistance have been demonstrated in this study. In addition, the State could also impose regulations upon the cost of construction materials and the interest rates associated with private sector borrowing. These measures would serve to reduce the overall costs of building formal housing thereby making them more affordable to low-income households. However, despite these measures households earning below R800 per month (42 per cent of all low-income households in the Cape Metropolitan Area) may still be unable to afford to obtain formal housing. This suggests that greater consideration should be given to the mass provision of State rental housing in order to provide households living in shack dwellings with adequate accommodation.

Concomitantly, the findings of this study also suggest that increased attention needs to be given to measures aimed at improving the socio-economic circumstances of low-income households and increasing their monthly earnings. This would endow households with the ability to obtain their own formal housing and afford the costs involved. Households should be given increased access to education and training so as to provide them with the ability to obtain higher paying jobs. Private sector investment in the low-income black residential areas needs to be encouraged to re-incorporate these areas back into the overall economic growth and development of the urban environment and to stimulate job creation in these areas. This implies that solving the housing crisis does not only entail the provision of housing but also the overall economic, social and infrastructural development of the black residential areas. A broader developmental approach is therefore required to transform these areas into viable, progressive communities in which households can improve their own living and housing conditions. Increased interaction between the communities involved, the Department of Housing, various Government line

departments and the private sector is needed so as to ensure that all stakeholders in the country are actively involved in solving the housing crisis and that their combined efforts are co-ordinated and serve the interests of those households most affected.

In conclusion, the current housing policy does not represent an appropriate response to solving the existing black low cost housing and community development crisis. Increased attention needs to be given to the actual housing requirements of low-income households if an amenable long-term solution to this nation-wide problem is to be found.

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1. Mr. Basil Davidson: Chairman of the Western Cape Community Based Housing Trust.
2. Miss Jeanette de la Harp: Urban Studies Unit, Cape Town City Council.
3. Mr. Karl du Preez: Western Cape Provincial Administration.
4. Mr. Philip Romanowski: Head of the urban Studies Unit, Cape Town City Council.
5. Mr. John Rushforth: Shelter Unit, Cape Town City Council.
6. Mr. S. Samuals: Department of Economic Affairs, Western Cape RDP (seminar).
7. Personel at the Standard Bank of South Africa Limited's E-Bank Programme.

APPENDIX A
POPULATION ESTIMATES FOR THE CAPE METROPOLITAN AREA
1995

Appendix A
Population Estimates for the Cape Metropolitan Area 1995.

POPULATION STUDY FOR THE CAPE METROPOLITAN REGION: 1995

1. INTRODUCTION

1.1 The Brief

The study was initiated by the Provincial Administration Western Cape and co-financed by the Cape Metropolitan Council, largely by way of making aerial photography available for the study. At the outset the Provincial Administration required that a study-process should be followed that endeavours to ensure the acceptance of the results of the study by the different authorities and other organisations.

1.2 The study area

The study area is the Cape Metropolitan Region i.e. the magisterial districts of Bellville, Cape Town, Goodwood, Kuilsriver, Paarl, Simon's Town, Somerset West, Stellenbosch, Strand, Wellington and Wynberg plus the southern portion of the Malmesbury magisterial district including Melkbosstrand, Atlantis, Mamre, Philadelphia and the associated rural areas.

1.3 Purpose of this report

The purpose of this report is to serve as a basis for obtaining the inputs of roleplayers in order to improve the data contained in it and to eventually get agreement on a set of population statistics that can be used by all interested parties.

2. THE PROCESS

In order to start the study on a sound footing, it was decided to set up a task group to assist the consultant in establishing a study process and in preparing a document that can serve as a basis to build on. The task group consists of the following people:

Mr Chris Rabie, PAWC (Chairperson)
Mr Marek Kedzieja, PAWC
Mr Johan de Beer, Parow
Mr Johan Adendorff, Winelands Regional Council
Mr Ray Stroud, Cape Metropolitan Transport Planning
Mr Phillip Romanovski, Cape Town
Ms Claire Halliday, Cape Metropolitan Council
Mr Paul Prinsloo, Cape Metropolitan Council
Mr Wolfgang Thomas, Wesgro
Mr Leslie Baba, Lingeletu West
Dr Bertie van Zyl, Consultant

The process that was agreed upon is structured around the following steps:

2.1 The consultant prepares a draft document including a set of statistics with as much information as possible on how he arrived at these figures: i.e. growth rates used, structure counts, household sizes used, people/sources consulted etc;

2.2 The task group agrees on a base document that can be made available for comment - the task group does not necessarily agree to the contents of the document at this stage;

2.3 The document is made available for comment by roleplayers within a specified time period;

2.4 Inputs from roleplayers are processed, amendments are made to the document and a "final" version is prepared. The contents of the "final" document can only be based on the best information available at a particular point in time. When more accurate information becomes available, the statistics in the document should be updated e.g. socio-demographic surveys/studies and eventually the 1996 population census.

3. METHOD

The 1991 population census figures were used as a point of departure for most of the information contained in this document. Because of this and the fact that vital characteristics such as growth rates, household compositions and migration patterns are different for the various population groups, the study had to take account of this and statistics are therefore presented along the lines of the customary statistical classification of population i.e. "whites", "coloureds", "asians" and "africans".

The following were identified as problem areas that had to be dealt with in calculating 1995 population figures:

3.1 Population in townships

Controversy existed for a long time on the numbers of people living in the traditionally african townships. The way in which the population figures contained in this study had been calculated, was to establish the number of dwellings from aerial photographs taken in December 1994 for each area and to multiply these with the best known average household sizes.

The latest information that was available on household sizes is contained in a study that was done for the Western Cape Community-based Housing Trust (WCCHT) entitled "African Migration and Appropriate Housing Responses in Metropolitan Cape Town" (July 1995). The basis for this study was a representative sample of 800 african households in the "primary" metropolitan area i.e. excluding the Helderberg Basin, Stellenbosch, Paarl etc. This information on household sizes was used in the majority of cases. In cases where comprehensive surveys had been undertaken, the results of those surveys were used instead, the most notable example being the Khayelitsha area.

A special study on hostels is presently being done for the Hostels to Homes Co-ordinating Committee. Some preliminary results of a pilot survey were used to calculate the number of people living in hostels. As soon as the hostels study has been completed, the hostels statistics will be updated.

3.2 Informal settlements

In many instances the sizes and composition of informal settlements change drastically over short periods of time. Information contained in this study relates to the time at which the aerial photographs were taken, i.e. December 1994. The same method used in the case of the african townships has been used here i.e. structure counts and household sizes.

3.3 Intra-migration

Due to the method used to calculate the african component of the population (i.e. largely based on a "census" of traditionally african areas, plus the projection of the 1991 official census figures for the remaining african population), internal migration will have an effect if such migration resulted in significant numbers of african people having moved from the traditionally african areas into other areas. Unfortunately no hard information is available on this aspect and the effect of internal migration on population numbers could therefore not be quantified. The general impression gained from officials in various local authorities is that the extent of such intra-migration is fairly limited, with a few possible exceptions such as some areas with high concentrations of flats, like Greenpoint and Seapoint.

3.4 Growth rates

For the largest part of the Metropolitan Region population calculations were done on the basis of projections, using the adjusted 1991 census figures as a base. The following annual growth rates were used:

Coloureds	:	2,2%
Africans	:	3,0%
Whites	:	1,1%
Asians	:	2,0%

(Source: "South Africa's Leading Edge" - Wesgro)

In the accompanying table the statistics are presented by magisterial district. It should be noted that the results of the projections by magisterial district does not take account of the fact that the increase in population in a particular magisterial district from 1991 to 1995, might have settled in another magisterial district. It would therefore, be more correct to say that the increase in population by magisterial district is an indication of the number of additional people "generated" by that magisterial district between 1991 and 1995 and not necessarily of the actual number of people living there.

It should also be noted that it is an assumption of the study that the 1991 population census figures for whites, coloureds and asians were correct. This assumption has been queried in some instances where surveys for certain areas were done on the basis of counts of homes and samples of household sizes (e.g. Bellville municipal area). For the purposes of this study it was decided not to make exceptions on the above assumption on an ad hoc basis.

An attempt is presently being made to use the voter registration figures as a control measure for the population figures. It was unfortunately not possible to do this in time for inclusion into this report for the following reasons:

- (a) problems with reconciling the geographical areas applicable to voter registration and this study;
- (b) unclarity about the proportion of voters that were successfully registered in each area at the time of the study;
- (c) the possibility of multiple registration of the same voters (no attempt had been at the time to "purify" the voters role);
- (d) in some instances (e.g. Vietnam) many new people apparently moved in between the time of the aerial photography and the voter registration so that the number of voters that were registered is much higher than the population figure shown in this report.

Work on this aspect is continuing and the results will be reflected in the final report. Local authorities may also give inputs on this in their comments.

4. FOOTNOTES TO TABLE 1

4.1 Bellville MD: 1991 census figures projected, except for Bloekombos and Wallacedene where structure counts were undertaken and the WCCHT-study household sizes were used.

4.2 Cape Town MD: 1991 census figures projected, except for Marconi Beam and other informal settlements in the Milnerton area where information on the number of structures were obtained from the Milnerton municipality and household sizes in the WCCHT study were used.

4.3 Goodwood MD: 1991 census figures projected.

4.4 Kuilsrivier MD: 1991 census figures projected, except in the cases of Mfuleni and Sikhumbule. A 100% survey for Mfuleni was done by HKS in April 1994. Prior to upgrading, a 100% survey of Sikhumbule was done in 1993 (reference: the Planning Partnership). It is very likely that the average household size in Sikhumbule will now be lower than what is shown since a proportion of households has been split into more than one household upon resettlement.

4.5 Malmesbury MD: the urban population that is shown represents a combination of figures projected from the 1991 census and those obtained from the CMC. An informal settlement of african people, consisting of 150 structures at Atlantis (Witsand) has also been taken into consideration. Non-urban population was estimated on the basis of $\frac{1}{4}$ of the total non-urban population in the magisterial district.

4.6 Paarl MD: 1991 census figures projected. The figure for Mbekweni is under dispute. Informally a figure as high as 27000 is quoted.

4.7 Simon's Town MD: 1991 census figures projected, except for Masiphumelele and Redhill where statistics on the number of structures were obtained from the PAWC. The household sizes in Masiphumelele is based on a survey, whilst that for Redhill is based on the WCCHT study.

4.8 Somerset West MD: 1991 census figures projected. It should be noted that the Waterkloof informal settlement that was situated in this MD has been moved to a new site which is situated in the Strand MD (now called Nomzamo).

4.9 Stellenbosch MD: 1991 census figures projected, except for Khaya Mandi where a special survey was done in January 1994. This data was updated by the Stellenbosch municipality for April 1995.

4.10 Strand MD: 1991 census figures projected, except for Lwandle and Nomzamo where figures were obtained from local sources.

4.11 Wellington MD: 1991 census figures projected. A survey is presently being carried out by the HSRC which may serve to update these statistics in due course.

4.12 Wynberg MD: 1991 census figures for whites, coloureds, asians and those africans outside the areas for which special surveys had been done, were projected. Notes in Wynberg sub-areas are as follows:

(a) Guguletu: structure counts by the HSRC in 1992, updated from December 1994 aerial photography and WCCHT household sizes. Number of people per backyard shack, as per surveys done in 1989 (Macroplan), needs updating. Preliminary figures on people per bed in hostels, from pilot study for Hostels to Homes Coordinating Committee, will be updated shortly.

(b) Nyanga: same as above.

(c) Langa: same as above.

(d) Crossroads (i.e. Old Crossroads): same as above..

(e) Browns Farm and Vietnam: total recount. Household sizes from WCCHT study.

(f) Khayelitsha: structure counts by the HSRC in 1992, updated from 1994 photography. Household sizes as per sample survey done by Lingeletu West Council in 1993 (backyard occupants counted as part of household except in Site C where there is official double occupancy of plots).

(g) Lower Crossroads, Samora Machel and Sweet Home: PAWC information on number of structures and WCCHT-study on household sizes.

(h) Mzamoyethu (Hout Bay): PAWC information.

5. CONCLUSIONS

Every endeavour has been made to base population calculations on the best information that was available at the time of the study. It is, however, clear that more primary research is needed in many instances (some research is currently under way) in order to improve the level of accuracy of the results of this study. The planned 1996-official population census will hopefully provide a new basis from which to approach a number of the questions that came to the fore in this study.

Although the enclosed population figures can therefore not be regarded as final in terms of its accuracy, the aim is to come to a result of which the confidence level is such that roleplayers will accept it as the best that is available and that all will make use of the same set of figures.

G N VAN ZYL
August 1995

CAPE METROPOLITAN REGION: POPULATION: MID-1995

AREA NAME	NUMBER OF PEOPLE				
	WHITE	COLOURED	ASIAN	AFRICAN	TOTAL
BELLVILLE MD *	143440	129700	1270	21890	296300
Bloekombos (hh=3.2)				5760	5760
Wallacedene (hh=3.2)				9700	9700
CAPE TOWN MD *	115700	64360	2670	13190	195920
Marconi Beam (hh=4.5)				4950	4950
Other informal (north of Milnerton)				2240	2240
GOODWOOD MD *	71700	203300	3400	1660	280060
KUILSRIVIER MD *	28200	109700	560	12550	151010
Mfuleni				8446	8446
Sikhumbule (hh=6.8)				3400	3400
MALMESBURY MD * (Portion only)	6350	64320	140	2010	72820
Atlantis	60	52660	110	480	53310
Mamre	10	5400			5410
Melkbosstrand	5300	230		70	5600
Non-urban (Ptn only: $\pm 1/4$)	910	5780	30	1460	8180
PAARL MD *	25200	98100	400	24400	148100
Mbekweni				17400	17400
SIMONSTOWN MD *	31570	27700	250	6280	65800
Masiphumelele (hh=4.8)				3840	3840
Redhill (hh=3.2)				380	380

SOMERSET WEST MD *	25240	36000	100	3040	64380
STELLENBOSCH MD *	26450	42900	130	12750	82230
Khaya Mandi				10007	10007
STRAND MD *	21300	19300	160	14000	54760
Lwandle				6500	6500
Nomzamo				7000	7000
WELLINGTON MD *	8080	31400	85	940	40500
WYNBERG MD *	142750	608000	20370	680840	1451960
GUGULETU				115500	115500
Formal housing (hh=4.9)				40390	40390
Backyard shack (hh=2.1)				20960	20960
Hostels (5.0 p/bed)				35080	35080
New Rest (hh=3.6)				3960	3960
Fezeka/Phola Park (hh=3.6)				4230	4230
Kiki (between host.) hh=3.6)				2070	2070
Tambo Square (hh=3.6)				2090	2090
Gxa Gxa (hh=3.6)				170	170
Kanana (hh=3.6)				1510	1510
Barcelona (hh=3.6)				5040	5040
NYANGA				88880	88880
Formal housing (hh=4.9)				17590	17590
Backyard shack (hh=2.1)				5460	5460
Hostels (4.5p/bed)				34400	34400
KTC site & serv. (hh=3.6)				6050	6050

KTC informal (hh=3.6)				8210	8210
Miller's camp inf. (hh=3.6)				2920	2920
Miller's camp s & s (hh=3.6)				1810	1810
Black City (hh=3.6)				1800	1800
Mpinga Square (hh=3.6)				850	850
Mkonto Square (hh=3.6)				2270	2270
Mpetha Square (hh=3.6)				1700	1700
Mahobe Drive (hh=3.6)				1690	1690
Kalanyani (hh=3.6)				470	470
Between hostel & bus terminus (hh=3.6)				3660	3660
LANGA				69130	69130
Formal housing (hh=4.9)				11560	11560
Backyard shack (hh=2.1)				6900	6900
Hostels (4.5p/bed)				40950	40950
Squatters (hh=3.6)				9720	9720
CROSSROADS				20220	20220
Formal housing (hh=4.9)				8120	8120
Backyard shack (hh=2.1)				150	150
Informal (hh=3.6)				11950	11950
BROWN'S FARM				32670	32670
Formal housing (hh=4.9)				1140	1140
Site & service (hh=3.6)				16070	16070
Squatters (hh=3.6)				15460	15460

VIETNAM (hh=3.6)				4360	4360
KHAYELITSHA				325600	325600
Bongweni/Ikwezi Park (hh=6.0)				5380	5380
Site C (a+b) (hh=5.5)				38120	38120
Site C buffer areas (hh=5.5)				19660	19660
Town 1/V1 (hh=5.9)				16900	16900
Town 1/V2 (hh=5.9)				14570	14570
Greenpoint (hh=4.54)				7090	7090
Town 1/V3 (hh=6.4)				45130	45130
Town 1/V4 (hh=6.4)				53710	53710
Site B north (hh=6.4)				6340	6340
Bermuda (hh=4.45)				4640	4640
Town 2/V1 (hh=5.0)				8090	8090
Town 2/V2 (hh=6.7)				29760	29760
Town 2/V3 (hh=6.1)				14950	14950
Town 2/V4A & B (hh=6.2)				3170	3170
Town 2/V4C (hh=5.7)				9120	9120
Silvertown (hh=4.45)				6090	6090
Town 3/V3 (hh=4.95)				16860	16860
Town 3/V4 (hh=5.0)				4550	4550
Town 3/V5 (hh=4.54)				21470	21470
LOWER CROSSROAD				5030	5030
Site & service (hh=3.6)				2510	2510

Transit camp (hh=3.6)				2520	2520
Samora Machel (hh=3.6)				3670	3670
Sweet Home (hh=3.9)				410	410
Mzamoyethu (hh=5.1)				4660	4660
"Khaya Mandi" (hh=3.6)				140	140
TOTAL	645980	1434780	29540	793690	2903990

* Please note that where figures were projected, the increased population does not necessarily live in the projection area. Some might have moved out to other areas. For the same reasons other areas may now accommodate more people than what is shown by projected figures. These figures should, however, add up to realistic totals for the Metropolitan Region.

OTHER IMPORTANT NOTES IN INTERPRETING THE ABOVE STATISTICS:

1. Growth rates used: whites=1,1% p.a; coloureds=2,2% p.a.; asians=2.0% p.a.; africans=3.0% p.a. - as per Wesgro publication entitled "South Africa's Leading Edge?", 1992.

2. (a) Household (hh) sizes for most areas as per study entitled "African Migration and Appropriate Housing Responses in Metropolitan Cape Town" - WCCHT, July 1995.

(b) Household sizes in other instances as per special surveys: see main report paragraph 4.

3. Numbers of persons per bed in hostels as per preliminary information from a pilot study for the Hostels to Homes Co-ordinating Committee, July 1995.

4. Please see paragraph 4 in report ("Footnotes to table 1") for more details on how the above figures were arrived at.

APPENDIX B

WORLD BANK SURVEY STANDARDS FOR BASIC SERVICE PROVISION

Appendix B
World bank Survey Standards for Basic Service Provision 1993.

Explanation of terms used to describe different levels of service standards:

Standard Levels	Standards Used to Describe Service Levels	
1. Minimum		
	Water:	Communal standpipes
	Toilets/Sanitation:	Bucket or community toilets
	Roads:	Unsurfaced tracks and paths
	Drainage:	No drainage ditches
	Refuse Collection:	No formal collection of refuse
	Electricity:	No electricity collection
2. Basic		
	Water:	Standpipes within 250m of each other
	Toilets/Sanitation:	Ventilated pits or aqua privy
	Roads:	Gravel roads
	Drainage:	Drainage ditches at crossings
	Refuse Collection:	Irregular collection
	Electricity:	Mast lighting for streets, few house connections
3. Intermediate		
	Water:	Yard standpipe
	Toilets/Sanitation:	Aqua privy connected to piped sewer
	Roads:	Bus routes paved, other roads gravelled
	Drainage:	Drainage channels on main routes
	Refuse Collection:	Regular collection from communal points
	Electricity:	Mast lighting, restricted house connections (pre-paid metres)
4. Full		
	Water:	Metered in-house water supply
	Toilets/Sanitation:	Conventional sewerage connections
	Roads:	All roads kerbed and paved
	Drainage:	On-road drainage, pipes, culverts
	Refuse Collection:	Regular weekly collection from houses
	Electricity:	Street lighting, unrestricted metered house connections

Source: World Bank 1993: 3

APPENDIX C

RDP PROJECTS AND FUND ALLOCATIONS FOR 1994/95

Appendix C
RDP Projects and Fund Allocations for 1994/95.

Project Description	Amount (Rm)
Free health care for pregnant mothers and children under six	To be decided
Clinic building to ease congestion and build new facilities	25
Campaign for education and prevention of Aids/HIV	To be decided
Primary school feeding programme	472.8
Provision of safe and clean water	59.4
Pilot projects for land reform programme	26.6
Return of land to communities dispossessed by forced removals	2.1
Programme for developing small scale farmers	4
Rehabilitation and rebuilding of schools	100
National literacy campaign	Donor funded
Capacity building programme	16.7
Fund for provincial programme development	28.3
Fund for planning urban infrastructure	1.5
Fund for urban reconstruction and housing agency	20
Township rebuilding programme	304.6
Extension of municipal services	500
Community public works programme	250
Poverty survey and statistics	2
Establishing a representative statistical council	0.4
Funds to be used on RDP at discretion of the provinces	100

Source: Minister without Portfolio 1994: 4

APPENDIX D

THE BUDGET OF THE SERVICED LAND PROJECT (SLP)

Appendix D
The Serviced Land Project Programme and Budget - ending 1999.

Budget (4/93 - 3/99) - Source SLP 1994: annexure H.2.

Cost of Development	R Million	Total R Million
Land, planning and infrastructure	594	
Residual values of capital subsidies	77	
Top-up subsidies for 7435 existing sites	37	
Less funds already raised	-203	
Total finance required	505	505
Capacity Building, Consolidation		
Capacity building	23	
Consolidation	6	
Research and development	10	
Project evaluations	1	
co-ordination	10	
Total	50	50
Community Facilities		
Community halls	31	
Sportsfields	18	
Libraries	6	
Housing resource and advice centres	10	
Seed capital for business and welfare projects	23	
Total	88	88
Education		
Pre-schools	26	
Primary schools	91	
Secondary schools	75	
Total	192	192
Health		
Hospitals, community health centres and clinics	146	146
Total	476	476
Grand Total	981	980
Grand Total before Funding	1182	1182
Total RDP Funding Sought	591	591

APPENDIX E
THE SURVEY QUESTIONNAIRE

PROJECT MIGRATION

Job No: CLK38A

Research Surveys
99 Kloof Street, Gardens
Cape Town, 8001

Ph: (021) 23-4116

Research Surveys
The Atrium, Cnr of Rustenberg and 7th Avenue
Melville, 2092

Ph: (011) 482-4430/1/2/3

Research Surveys
3rd Floor, 40 Masonic Grove
Durban, 4001

Ph: (031) 301-7965

	Query	Omissions	Checkback	Date	Initials	F-T-F	Phone
Field	-1	-1	Yes -1			-1	-2
Coding	-2	-2	No -2			-1	-2

Respondent No.

.....

Debriefed by: _____

Coding Checked by: _____

Edited by: _____

Consistency checked by: _____

Coded by: _____

Editing checked by: _____

Please could you give me your name, address and the exact suburb and town in which you live, even if there is no normal postal delivery there? ENSURE THAT SPELLING OF SUBURB AND TOWN IS CORRECT.

Name of respondent: _____

Address: _____

Suburb: _____

Town (or nearest town): _____

Magisterial District: _____ ()

Telephone No: (H) _____ (W) _____

Interviewer: _____ ()

INTERVIEWER PLEASE RECORD:

DATE: DAY OF THE WEEK:

TIME INTERVIEW BEGAN: TIME INTERVIEW ENDED: TOTAL NO. OF MINUTES:

OTHER PERSONS PRESENT DURING THE INTERVIEW:

INTERUPTIONS DURING THE INTERVIEW:

DID YOU MAKE ANY NOTES ON THE BACK PAGE?

THE INFORMATION FOR EACH AND EVERY HOUSEHOLD MEMBER WILL BE RECORDED USING THE SAME ROW IN TABLES A, C AND D.

A1. Name "Please indicate the name of each member of the household, beginning with the head (or heads) of household, including yourself, and then listing the others from oldest to youngest."

A2. Relationship to Household Head "How is _____ related to the (male) household head?" (codes)

Relation to household head is determined and recorded according to each household member's relationship to the male head of household, if there is one (otherwise in relation to the female head of household). If no code accurately describes the relationship, write it in the box.

A3. Sex "What is the sex of _____?" (codes)

A4. Date of Birth "When was _____ born?" Record date/month/year (if only estimated, circle date)(if readily known, skip A5).

A5. Age "What is the age of _____?"

Record current age (i.e., age at last birthday) - even if the person's next birthday is the day after your interview. (Age does not need to be recorded if date of birth is recorded - and the respondent did not have great difficulty recalling or estimating it. Age should be recorded when date of birth is either unknown or the respondent had great difficulty recalling or estimating it.) (If age is only estimated, circle age)

A6. Highest Level of Education Completed "Has _____ ever studied at school? If YES, what is the highest level _____ completed?" (codes) Include only years completed.

A7. Currently Enrolled or Not "Is _____ currently enrolled? If not, please explain why _____ is no longer in school now." (codes) This applies to all household members under the age of 25 (only).

A8. Other Training or Qualifications "Has _____ ever obtained another type of training or qualification? If YES, what?" (write in) Include only a post-primary or post secondary programme that was completed.

A9. Current Marital Status "What is _____'s current marital status? Has _____ ever been married?" (codes) This question is to be asked only for those ages 15 and above.

A10. Year Current Marital Status Began "Since when has _____ been (current marital status described above)?" (write in year 19__)

Children Ever Born Alive

"For ALL FEMALES AGES 15 AND ABOVE (i.e., born before this month in 1980 or earlier), we would like to know if she has had any children. Has _____ ever been pregnant?" (If NO, record 0 in each column)
If YES:

A11. Does _____ have any children who live here? (If NO, record 0 0)

If YES: A11a: how many sons? A11b: how many daughters? (write number)

A12. Does _____ have any children who live elsewhere? (If NO, record 0 0)

If YES: A12a: how many sons? A12b: how many daughters? (write number)

A13. Does _____ have any children who were born alive and later died? (If NO, record 0 0)

If YES: A13a: how many sons? A13b: how many daughters? (write number)

A14. Has _____ given birth in last 12 months?" (YES = 1, NO = 2)

(note: be sure to ask all of Q.A11 to Q.A14 for females ages 15 and above)

(note: be sure to ask Q.A14!)

(note: include only babies who cried; exclude miscarriages, abortions, stillbirths)

(note: do not record as a live birth a pregnancy at the time of the interview)

A. HOUSEHOLD COMPOSITION and DEMOGRAPHY

Obtain this information for all household members, starting with the male and female heads of household (as applicable), followed by the others (listing from oldest to youngest).
The number at the beginning of each row will be used to refer to that person again in Table C and in Table D.

	A1	A2	A3	A4	A5	A6	A7	A8	A9	A10	A11a	A11b	A12a	A12b	A13a	A13b	A14	
No.	Name	Relation to Household Head (code)	Sex (code) 1 = M 2 = F	Date of Birth d/m/y	Age in years	Highest Level of Education Completed (code)	Currently Enrolled (or Why Not Now if Under 25) (code)	Other Training/Qualification	Current Marital Status (code)	Year Current Marital Status Began	All Females Age 15 and Over							
											Children Living				Children Who Died		Did She Give Birth in Last 12 Months 1 = Yes 2 = No	
											Here		Elsewhere					
											M	F	M	F				
01																		
02																		
03																		
04																		
05																		
06																		
07																		
08																		
09																		
10																		
11																		
12																		
13																		
14																		
15																		

FOOD SECURITY & HEALTH

Thinking about the last 7 days, that is - since (this same day of the week) last week; please indicate the number of days that each types of food and beverage was consumed at least once by household members (including meals eaten outside this dwelling): READ THE LIST, IN ORDER, TO RESPONDENT.

	NO OF DAYS		NO OF DAYS	BEVERAGES	NO OF DAYS
GRAINS:		NUTS:		HOT:	
Maize grain/samp	<input type="text"/>	All types, including peanut butter	<input type="text"/>	Tea, coffee, Milo, Cocoa, chocolate	<input type="text"/>
Mealie meal	<input type="text"/>	FRUITS:		SOFT/COLD:	
Rice	<input type="text"/>	All types	<input type="text"/>	Soda, Amharhewu, fruit juice, Mongimali (Oros)	<input type="text"/>
Bread/wheat	<input type="text"/>	LEGUMES:		BEER:	
Breakfast cereal	<input type="text"/>	Dried peas/lentils/beans	<input type="text"/>	Beer, Umqombothi, cider	<input type="text"/>
ROOT CROPS:		DAIRY:		HARD:	
Potatoes/sweet potatoes	<input type="text"/>	Fresh milk/sour milk	<input type="text"/>	Brandy, wine, whisky, other spirits	<input type="text"/>
VEGETABLES:		Yoghurt		WATER:	
All green/yellow/orange/red vegetables	<input type="text"/>	Cheese	<input type="text"/>	Tap, distilled, soda, mineral, sweetened	<input type="text"/>
PUMPKIN/SQUASH:		MEAT/FISH/EGGS:			
All types	<input type="text"/>	Chicken/beef/mutton/pork/fish/eggs	<input type="text"/>		

a. Are there some types of foods that your household members do not eat now - but would like to eat, or would like to eat more frequently?

Yes -1 ASK Q.2b AND Q.3
No -2 GO TO Q.4a

b. IF "YES" IN Q.2a, ASK:

Please identify these type of foods: (RECORD UP TO TWO TYPES.)

..... ()
..... ()

IF "YES" IN Q.2a, ASK:

If this food problem exists, please explain why:

..... ()

a. In the past 14 days (2 weeks) has anyone in the household been ill or injured seriously enough to seek health care from someone outside this household?

Yes -1 ASK Q.4b
No -2 GO TO Q.5

IF "YES" IN Q.4a, ASK:

Please indicate which person(s), the type of illness or injury, and whether pre-existing condition or new problem:

Person: () Health problem: ()
Pre-existing -1 New -2

Person: () Health problem: ()
Pre-existing -1 New -2

HOUSING CHARACTERISTICS

We would like to know some details about this place that your household uses:

Type of dwelling: (IF HOSTEL, INQUIRE ABOUT THE PRESENCE OF AN ATTACHED SHACK - JUST OUTSIDE THE HOSTEL)

Freestanding shack	-01	Hostel and nearby shack	-08
Backyard shack	-02	Outbuilding	-09
Part of house	-03	House and backyard shack	-10
House	-04	Flat and backyard shack	-11
Maisonette	-05	Other (Specify)	-12
Flat	-06		
Hostel	-07		

b. What is the main material(s) used for the walls? RECORD UNDER Q.6a IN THE GRID OVERLEAF. (CIRCLE UP TO TWO MENTIONS.)

c. What is the main material(s) used for the roof? RECORD UNDER Q.6b IN THE GRID OVERLEAF. (CIRCLE UP TO TWO MENTIONS.)

d. What is the main material(s) used for floor covering? RECORD UNDER Q.6c IN THE GRID OVERLEAF. (CIRCLE UP TO TWO MENTIONS.)

Continued/...

	Q.6a MATERIAL FOR WALLS	Q.6b MATERIAL FOR ROOF	Q.6c MATERIAL FOR FLOOR
Bricks	-01	-01	-01
Cement block	-02	-02	-02
Pre-fab	-03	-03	-03
Corrugated iron/zinc	-04	-04	-04
Wood	-05	-05	-05
Plastic	-06	-06	-06
Cardboard	-07	-07	-07
Mixture of mud and cement	-08	-08	-08
Wattle and daub	-09	-09	-09
Tile	-10	-10	-10
Carpet	-11	-11	-11
Linoleum/vinyl	-12	-12	-12
Mud	-13	-13	-13
Thatching	-14	-14	-14
Asbestos	-15	-15	-15
Dampkos (tarred felt)	-16	-16	-16
Other (Specify)	-17	-17	-17

7. How many rooms does your household occupy in this dwelling? (INCLUDING ANY ATTACHED NEARBY SHACKS) ()
(INCLUDE KITCHENS, LOUNGES AND DINING ROOMS, BEDROOMS - BUT EXCLUDE BATHROOMS, TOILETS AND PASSAGES.)

8a. Are there other households living in this dwelling or yard?

Yes -1 ASK Q.8b
No -2 GO TO Q.9

IF "YES" IN Q.8a, ASK:
8b. Could you please specify the number of such rooms and the number of people (adults and children under age 18) normally living in each of these separate households. (IF HOSTEL, REFER TO THEIR LIVING AREA AND THEN GO TO Q.11a.)

	ROOMS	ADULTS	CHILDREN UNDER AGE 18
Household 1			
Household 2			
Household 3			
Household 4			

9. Does your household own this dwelling (i.e, built, bought or buying)?

Yes -1
No -2

10a. Does the household owe money on this dwelling?

Yes -1 ASK Q.10b
No -2 GO TO Q.11a

IF "YES" IN Q.10a, ASK Q.10b, c, d:

10b. How much is still owed?
..... ()

10c. Do you owe this as a bond?

Yes -1
No -2

10d. How much is paid per month?
..... ()

NOW GO TO Q.12

IF "NO" IN Q.10a, ASK:
11a. Does the household pay rent to live here?

No -1 GO TO Q.12
Rent -2 ASK Q.11b
Sublet -3 ASK Q.11b

IF CODE "-2" OR "-3" MENTIONED IN Q.11a, ASK:
11b. How much rent does the household pay, or is the household supposed to pay now, in a month?

()

12. What is the source of water used most often in this household for things like drinking, cooking, bathing and washing clothes?

Tap in house -1 Water carrier -5
Yard tap - sole use -2 River or stream -6
Yard tap - shared -3 Other (Specify) -7
Standpipe - outside yard -4

13a. Do you pay separately for water?

Yes -1 ASK Q.13b
No -2 GO TO Q.14

IF "YES" IN Q.13a, ASK:
13b. How much per month? (IF ONLY PAY QUARTERLY, SPECIFY THAT BELOW.)

()

14. What kind of toilet does the household use?

Flush toilet -1 Bush -6
Improved pit latrine with ventilation (VIP) -2 Other (Specify) -7
Other pit latrine -3
Bucket toilet -4
Chemical toilet -5

15a. Is the household connected to electricity?

Yes -1 ASK Q.15b
No -2 GO TO Q.16

IF "YES" IN Q.15a, ASK:
15b. How much, if anything, do you pay separately for electricity each month?

()

16. What is the main source of energy for cooking, lighting, heating water and heating home?

MAIN SOURCE OF ENERGY FOR:	COOKING	LIGHTING	HEATING WATER	HEATING HOME
Wood	-1	-1	-1	-1
Paraffin	-2	-2	-2	-2
Charcoal/coal	-3	-3	-3	-3
Electric grid	-4	-4	-4	-4
Generator	-5	-5	-5	-5
Candles	-6	-6	-6	-6
Gas bottle	-7	-7	-7	-7
Gas pipe	-8	-8	-8	-8
Other (Specify)	-9	-9	-9	-9

HOUSING IMPROVEMENTS & CHANGES

17. Please indicate whether your household owns one (or more) of the following items: (READ LIST AND CIRCLE ALL THAT APPLY.)

Flame stove	-01	Stereo	-10
Primus stove	-02	TV	-11
Hot plate	-03	Telephone	-12
Gas stove	-04	Bicycle	-13
Electric stove	-05	Car	-14
Fridge	-06	Bakkie	-15
Electric kettle	-07	Other (Specify)	-16
Geyser	-08		
Radio	-09		

18a. Has your household made any structural improvements, major or minor, to the dwelling within the past two years?

Yes -1 ASK Q.18b
No -2 GO TO Q.19a

IF "YES" IN Q.18a, ASK:

18b. Please describe the improvements - starting with the most recent:

TYPE OF IMPROVEMENT	WHEN	WHO DID IT	COST	AMOUNT OWED NOW

19a. How would you rate your overall level of satisfaction with your present dwelling?

Very dissatisfied -1
Dissatisfied -2
Neither satisfied nor dissatisfied -3
Satisfied -4
Very satisfied -5

19b. Please explain why:

..... ()
..... ()

20a. Does your household plan to make any structural improvements, major or minor, to the dwelling within the next two years?

Yes -1 ASK Q.20b
No -2 GO TO Q.20c

IF "YES" IN Q.20a, ASK:

20b. Please describe the improvements - starting with the first change:

TYPE OF IMPROVEMENT	WHEN	WHO WILL DO IT	EST. COST	R SOURCE

IF "NO" IN Q.20a, ASK:

20c. Could you please explain why you do not plan to make any improvements in the near future?

..... ()
..... ()

"Where was the male head of household's mother usually living when he was born (and/or raised during the first year of his life?" (NOT necessarily the actual place of his birth, if different from where mother usually lived then)

(complete questions B1 to B4 below)

A CHANGE OF RESIDENCE OCCURS when the individual, alone or with others, moves for purposes of residence (i.e., not a short term visit), from one dwelling to another, whether in the same community or elsewhere.

For each change of residence (starting with where he was at age 18, or when he completed school), ask the following:

- B1. "Where was that?" (Write name of the location in sufficient detail that it is uniquely identified in South Africa; e.g., Brown, Site C, Khayelitsha - not just Brown, not just Site C, not just Khayelitsha, nor just Cape Town; if it was a village or township outside the Western Cape Province, also specify the name of the nearby town or city)
- B2. Code the province of that location.
- B3. "What type of place was that location (community)?" (codes)
- B4. "Whose house was it?" (codes) (i.e., "How was the head of that household related to you?")
- B5. "What type of house was it?" (codes)
- B6. "When did _____ move there?"
- B7. "Why did _____ move there?" (codes)

REPEAT questions B1 to B7 for the female household head.

(NOTE: Complete the details of the person's residence/dwelling at age 18 (or when he/she completed school), even if this is the same place as the place his/her mother usually lived when he/she was born.)

Obtain this information for the male and female heads of household (as applicable), for each prior residence specified (up to but not including present residence which is recorded on next page and beyond):

MALE Head of Household	Usual Residence of Mother When Born	Residence at Age 18 or When School Completed	Next (1) Residence	Next (2) Residence	Next (3) Residence	Next (4) Residence	Next (5) Residence	Next (6) Residence	Next (7) Residence	Next (8) Residence	Next (9) Residence	Next (10) Residence
Location (name) (B1)												
Province (code) (B2)												
Type of Location (code) (B3)												
Whose House (code) (B4)												
Type of House (code) (B5)												
Year Moved There (B6)												
Why Moved There (B7) (code)												
FEMALE Head of Household	Usual Residence of Mother When Born	Residence at Age 18 or When School Completed	Next (1) Residence	Next (2) Residence	Next (3) Residence	Next (4) Residence	Next (5) Residence	Next (6) Residence	Next (7) Residence	Next (8) Residence	Next (9) Residence	Next (10) Residence
Location (name) (B1)												
Province (code) (B2)												
Type of Location (code) (B3)												
Whose House (code) (B4)												
Type of House (code) (B5)												
Year Moved There (B6)												
Why Moved There (B7) (code)												

Present Residence and Background

C1. "When did _____ become a member of this household?" (record year - and month if within the last five years)

C2a. "What was the main reason that _____ became a member of this household?" (codes) (i.e., what was it about this place or family that caused _____ to begin living here?)

C2b. "Was there any other reason?" (codes)

Previous Residence

C3a. "Where was _____ living before becoming a member of this household in this dwelling?" (Write name of the location in sufficient detail that it is uniquely identified in South Africa; e.g., Brown, Site C, Khayelitsha, not just Brown, nor just Site C, nor just Cape Town; if it was a village or township outside the Western Cape, also specify the name of the nearby town or city)

C3b. "In which province is that?" (codes) (record in box in lower right corner)

C4. "What type of location was that?" (codes)

C5. "Why did _____ leave his/her previous place of residence/dwelling?" (codes) (i.e., what was it about that place or things happening there that caused _____ to leave?)

Currently Gone for 1 Week or More

"Is _____ currently staying here or is _____ gone continuously from this dwelling for one week or more?

If GONE:

C6a. "Where?" (write in name of specific community)

C6b. "In which province is that?" (codes) (record code in box in lower right corner)

C7. "What type of location is that?" (codes)

C8. "What is the main reason why _____ is gone?" (codes)

C9. "How many weeks has _____ been gone?" (write in complete weeks)

C10. "When is _____ expected to return?" (codes)

Previous Absence in Last 12 Months (excluding possible current absence)

"Not counting the present time, has _____ been gone continuously from this dwelling for one week or more during the past 12 months (year)?"

If YES, please describe the previous absence in terms of:

C11a. "Where?" (write in name of community)

C11b. "In which province is that?" (codes) (record code in box in lower right corner)

C12. "What is the main reason why _____ is gone?" (codes)

C13. "How many weeks has _____ been gone?" (write in complete weeks)

C14. "All together, counting any present absence, previous absence, and any other absence(s), how long has _____ been gone during the past 12 months (year)?" (write in)

The row number for each person must be the same row number used in Table A.

[illegible]

FUTURE MOBILITY

21a. Have you ever considered moving from here to another dwelling?

Yes	-1	ASK Q21c, d, e, f, g
No	-2	ASK Q.21b

21b. IF "NO" IN Q.21a, ASK:
Please explain why?

NOW GO TO Q.26 AT THE BOTTOM OF THIS PAGE.

21c. IF "YES" IN Q.21a, ASK:
How do you think your life would improve by moving elsewhere?

21d. What are the housing type and location alternatives that you would consider?

USING TYPE(S):

LOCATION(S):

21e. What factors would be important in choosing among those housing type and location alternatives?

21f. Why are those factors important to your household?

21g. When would you most likely make such a move?

22a. Have you already made any specific efforts to look for housing elsewhere?

Yes	-1	ASK Q.22b
No	-2	GO TO Q.23

22b. IF "YES" IN Q.22a, ASK:
Please explain where and what you have done?

23. Would it be to share, rent, build or buy a dwelling?

24a. What constraints (problems) do you (or would you) face in making a decision to undertake a move?

24b. How would you overcome these constraints (problems)?

25. How likely are you to actually make such a move?

Very unlikely	-1
Somewhat unlikely	-2
Uncertain	-3
Somewhat likely	-4
Very likely	-5

26. How much more could your household afford to pay in a month for housing than it is paying now?

27a. Are there certain times of the year that you could only pay a smaller amount?

Yes-1ASK Q.27b
No-2GO TO Q.28a

27b. IF "YES" IN Q.27a, ASK:
Please explain:

()

28a. If you were to receive a housing subsidy (to build a house), in which specific community or area would you use it?

()

28b. Why there?

()

COMMUNITY CONDITIONS

29a. Who helped you (and/or your partner) the most to find your present job(s), if anyone? RECORD UNDER Q.29a.

29b. Who helped you the most to find this place/dwelling, if anyone? RECORD UNDER Q.29b.

29c. Who helped you the most to feel settled when you first began living here, if anyone? RECORD UNDER Q.29c.

29d. When you need help with a major personal or social problem, from whom do you most ask help, if anyone? RECORD UNDER Q.29d.

29e. If you have a money problem, from whom do you most ask help, if anyone? RECORD UNDER Q.29e.

	Q.29a	Q.29b	Q.29c	Q.29d	Q.29e
Rely on myself/this household only	-1	-1	-1	-1	-1
Friends	-2	-2	-2	-2	-2
Neighbours	-3	-3	-3	-3	-3
Co-workers	-4	-4	-4	-4	-4
Employer	-5	-5	-5	-5	-5
Relatives	-6	-6	-6	-6	-6
Bank	-7	-7	-7	-7	-7
Local authority	-8	-8	-8	-8	-8
Some other institution	-9	-9	-9	-9	-9

30a. Do you, or any household members, belong to any organisations?

Yes-1ASK Q.30b
No-2GO TO Q.31

30b. IF "YES" IN Q.30a, ASK:
Tick all that apply:

Church
Civic/community
Women
Youth
Old age
Trade union
Social/cultural
Burial society

Masigodusane
Income earning club
Sports club
Health
Educational/school
Political
Other (Specify)

31. How would you rate your overall level of satisfaction with this community?

Very dissatisfied-1
Dissatisfied-2
Neither satisfied nor dissatisfied-3
Satisfied-4
Very satisfied-5

32. What in your opinion could government do to most help this household improve its living conditions? In other words, what do you need most?
PROBE FOR THREE RESPONSES, BUT DO NOT PROMPT.

MOST IMPORTANT

()

SECOND:

()

THIRD:

()

"Does _____ do anything now, or has he/she done something during the past 12 months (year), for pay, profit or family gain? This may involve something done at home or in the neighbourhood, as well as further away, and may involve anything done for a very short period of time, as well as things done over a longer period of time or regularly."

If YES:

- D1. "Please describe what _____ does as precisely as you can." (describe what _____ actually does in 5 to 7 words, not the company name, job title etc.)
(principal income earning activity is the one involving the most time) (if unemployed or not doing anything all year, write in)
- D2. "If NOT, why is _____ not doing anything to earn income?" (codes) (and then ask questions D17 and D18)
- D3. "In what type of business does _____ do this?" (codes)
- D4. "Is this activity self-employment, casual wage earning, or regular wage/salary earning?" (codes)
- D5. "How many people work in that firm/business enterprise?" (write in) (estimate)
- D6. "Where does _____ usually do this?" (codes) (this refers to the usual place where _____ does this activity, not necessarily where the firm has its office)
- D7. "How many minutes does it take _____ to travel to that place, each way?" (write in)
- D8. "By what means of transport does _____ travel there?" (code main means only) (if walk and motorized transport, record only the latter type or types)
- D9. "How much does it cost _____ to travel there and back (return) each day?" (write in, rand and cents)
- D10. "How many days per week does _____ usually do this on average?" (write _____ in)
- D11. "How many hours per day does _____ usually do this, on average, not counting the time it takes to get there and to return home?" (write in)
- D12. "Does _____ do this activity throughout the year, seasonally, or occasionally?" (codes)
(Note: the person may have switched employers but still continued doing the same type of activity; if so, record the time _____ began doing that same activity)
- D13. "When did _____ begin doing this income earning activity?" (write in year and month)
- D14. "How often does _____ receive money (get paid) for doing this?" (codes)
- D15. "How much does _____ receive when he/she gets paid?" (code sheet E)
- D16. "Does that amount reflect actual earnings, or does it reflect profit or net wages after any deductions are taken out for taxes, expenses, etc.?" (codes)

FOR EVERYONE AGE 10 AND OVER, ASK:

- D17. "Does _____ do anything else now, or at anytime during the past 12 months (year), to earn some money?" (write in)

FOR EVERYONE AGE 10 AND OVER, ASK:

- D18. "Has _____ done anything in the past to earn money that he/she is no longer doing now? If YES, what?" (write in)

INCOME, SAVINGS & DEBT

33a. In addition to the income earning activities already described, are there any other ways that the household obtains income?

Yes -1 ASK Q.33b
No -2 GO TO Q.34a

IF "YES" IN Q.33a, ASK:

33b. Please indicate the source(s) and amount each month:

	AMOUNT		
Old age pension	-01	Government maintenance	-10
Private pension/Provident fund	-02	Sick benefit (private)	-11
Civil servant pension	-03	Rent from property or house	-12
Government disability	-04	Lodgers	-13
Government poor relief	-05	Other (Specify)	-14
Workmen's compensation	-06		
Interest/dividend	-07		
Unemployment insurance fund	-08		
NGO programmes	-09		

34a. Does your household occasionally (or regularly) receive money (or goods) from anyone outside this household?

Yes -1 ASK Q.34b, c, d, e
No -2 GO TO Q.35a

IF "YES" IN Q.34a, ASK:

34b. How is that person (or household) related to the head of this household?

..... ()

34c. How does it specifically help this household?

..... ()

34d. How many times in the past year (12 months) have you received such help?

..... ()

34e. How much is provided each time, on average?

..... ()

35. Taken together, what is the total amount of money that is earned through various economic activities, and received from official sources, relatives and friends, by all household members in an average (typical) month? (SHOW RESPONDENT CODE SHEET E, MONTHLY INCOME COLUMN.)

..... ()

36a. Do you participate in a savings scheme?

Yes -1 ASK Q.36b and Q.36c
No -2 GO TO Q.37a

IF "YES" IN Q.36a, ASK:

36b. What type or types? (CIRCLE ALL THAT APPLY)

Stockvel -1
Burial society -2
Savings club -3
Bank -4
Hire purchase -5
Other (Specify) -6

36c. Why?

..... ()

37. What type of debt do you currently have (excluding bond), if any?

..... ()

3a. If you received a sum of cash (i.e. R10 000), what would you do with it?
..... ()

3b. Why?
..... ()

PROPERTY AND POSSESSIONS ELSEWHERE

4a. Does anyone in your household own any property (house, business, land, crops, livestock, farming or other business equipment, etc) that is not on these premises?

Yes -1 ASK Q.39b
No -2 GO TO Q.42

4b. IF "YES" IN Q.39a, ASK:
Please describe:

TYPE OF PROPERTY AND SIZE (WRITE IN QUANTITY BELOW)	LOCATION	REASON FOR OWNING THIS	WHO SUPERVISES	NO. OF YOUR VISITS IN LAST 12 MTHS
Land (..... hectares)				
Rural homestead (rondavels, garden, etc)				
Livestock (..... cattle, sheep, goats pigs, fowl, donkeys, horses)				
Crops (.....)				
Business (..... employees)				
Equipment (types:)				
Urban house (..... rooms)				
Other (Specify)				

4a. Has your household made any investment (or improvement), major or minor, in any of these types of property within the past two years?

Yes -1 ASK Q.40b
No -2 GO TO Q.41a

4b. IF "YES" IN Q.40a, ASK:
Please describe, starting with the most recent:

TYPE OF INVESTMENT	WHEN	WHO DID IT	COST	AMOUNT OWED NOW

4a. Does your household plan to make any investment (or improvement), major or minor, in any of these types of property within the next two years?

Yes -1 ASK Q.41b
No -2 GO TO Q.41c

4b. IF "YES" IN Q.41a, ASK:
Please describe, starting with the first change planned:

TYPE OF IMPROVEMENT	WHEN	WHO WILL DO IT	EST. COST	SOURCE OF MONEY

4c. IF "NO" IN Q.41a, ASK:
Could you please explain why you do not plan to make any improvements in the near future?

..... ()

SOCIAL LINKAGES & VISITING PATTERNS

42. ASK ABOUT THE MALE HOUSEHOLD HEAD'S AND FEMALE HOUSEHOLD HEAD'S PARENTS:

	WHETHER ALIVE OR DECEASED		1 = LIVING 2 = DECEASED	ONLY FOR THOSE LIVING	
	HIGHEST EDUCATION	PRESENT/LAST "OCCUPATION"		WHO CARES FOR HIM/HER	MHHH/FHHH's ROLE(S) IN CARE
Male's father					
Male's mother					
Female's father					
Female's mother					

43. If any of your parents are living, to what extent is he/she dependent on remittances (money or goods) from your household?

..... ()

44a. Do you have other immediate family members dependant on receiving remittances (money or goods) from you?

Yes -1 ASK Q.44b, c
No -2 GO TO Q.45a

44b. IF "YES" IN Q.44a, ASK:
How are they related to you?

..... ()

44c. Where do they live?

..... ()

45a. Is anyone else dependent on receiving remittances (money or goods) from you?

Yes -1 ASK Q.45b, c
No -2 GO TO Q.46a

45b. IF "YES" IN Q.45a, ASK:
How are they related to you?

..... ()

45c. Where do they live?

..... ()

46a. Do you have other types of responsibilities in the extended family?

Yes -1 ASK Q.46b
No -2 GO TO Q.47a

46b. IF "YES" IN Q.46a, ASK:
Please describe:

..... ()

47a. Where do you consider to be your "home"?

..... ()

47b. Please explain why?

..... ()

48a. Do you have family members/relatives there?

Yes -1 ASK Q.48b
No -2 GO TO Q.49a

48b. IF "YES" IN Q.48a, ASK:
Who? ()

49a. Where would you like to live when you become old/retire? ()

49b. Please explain why? ()

INTERVIEWER:
50. If anyone was listed in Table C as being away from this dwelling for at least a week during the past 12 months, please ask about

RELATIONSHIP OF THIS HOUSEHOLD HEAD - TO THE HEAD OF THAT HOUSEHOLD	WHEN RETURNED		NO. TIMES VISITED LAST 12 MONTHS	PURPOSE(S) OF VISIT(S)	OTHER LINKAGES (*)
	Yr	Mo			
1.					
2.					
3.					

* ("LINKAGES" MIGHT BE LETTERS, PHONE CALLS, LOAN/SEND MONEY, EXCHANGE GIFTS, SENDING OTHER GOODS, ETC.)

51. Considering any person(s) who may have visited this household for at least a week during the past 12 months, could you please provide some information concerning:

RELATIONSHIP OF THAT PERSON TO THE HEAD OF THIS HOUSEHOLD	WHEN RETURNED		NO. TIMES VISITED LAST 12 MONTHS	PURPOSE(S) OF VISIT(S)	OTHER LINKAGES (*)
	Yr	Mo			
1.					
2.					
3.					

52a. Do you expect anyone to join you (move into this household) within the next year?

Yes -1 ASK Q.52b
No -2 GO TO Q.53a

IF "YES" IN Q.52a, ASK:
52b. Please indicate who and why:
WHO: ()
WHY: ()

53a. Do you expect anyone to leave (move out of this household) within the next year?

Yes -1 ASK Q.53b
No -2 CLOSE INTERVIEW

IF "YES" IN Q.53a, ASK:
53b. Please indicate who and why:
WHO: ()
WHY: ()

THANK RESPONDENT AND CLOSE INTERVIEW

I hereby certify that this interview has been carried out by me in accordance with the instructions I received from Research Surveys, and has been thoroughly checked

DATE: SIGNED:

A. HOUSEHOLD COMPOSITION AND DEMOGRAPHY
--

RELATION TO HOUSEHOLD HEAD - (QA2)

- 01 Resident Head
- 02 Absent Head
- 03 Wife or Husband or Partner
- 04 Son or Daughter
- 05 Father or Mother
- 06 Grandchild
- 07 Grandparent
- 08 Mother- or Father-in-law
- 09 Son or Daughter-in-law
- 10 Brother- or Sister-in-law
- 11 Aunt or Uncle
- 12 Sister or Brother
- 13 Niece or Nephew
- 14 Cousin 1st, 2nd, 3rd, ...
- 15 Great-grandparent
- 16 Household help or relative of
- 17 Lodger or Relative of Lodgers
- 18 Other Family
- 19 Other Non-family (specify...)
- 20 Other (specify ...)

SEX - (QA3)

- 1 Male
- 2 Female

LEVEL OF EDUCATION COMPLETED - (QA6)

- 00 None
- 01 Creche/Pre-primary
- 03 Sub A - Std 1 Class 1 - Std 1
- 04 Std 2
- 05 Std 3
- 06 Std 4
- 07 Std 5
- 08 Std 6 Form 1
- 09 Std 7 Form 2
- 10 Std 8 Form 3/J.C.
- 11 Std 9 Form 4
- 12 Std 10 Form 5/Matric/S.C.
- 13 Std 7,8, or 9 + diploma/certificate
- 14 Std 10 + Nursing diploma(s)
- 15 Std 10 + Teaching diploma/certificate
- 16 Std 10 + Technikon/cal institution
- 17 Std 10 + some University (not completed)
- 18 Std 10 + University degree
- 19 Std 10 + University degree + other
- 20 Other (specify...)

ENROLMENT OR WHY NOT CONTINUED IN SCHOOL - (QA7)

- 00 Under age 6
- 01 Currently Enrolled
- 02 Completed education
- 03 Needed to work for money
- 04 Needed to work at home
- 05 School expenses too high
- 06 No school locally
- 07 Could not cope with school work
- 08 School boycott
- 09 Social unrest/violence
- 10 Illness/Disabled
- 11 Became pregnant
- 12 Other (specify...)

MARITAL STATUS - (QA9)

- 01 Never Married
- 02 Living Together
- 03 Married - traditional
- 04 Married - common law
- 05 Married - civil
- 06 Deserted/abandoned
- 07 Separated
- 08 Divorced
- 09 Widowed
- 10 Other (specify...)

B. PRIOR RESIDENCE HISTORY OF HEAD(S) OF HOUSEHOLD

PROVINCE - (Q.B2)

- 1 E CAPE
- 2 E TVL
- 3 GAUTENG (PWV)
- 4 KWZ/NATAL
- 5 N CAPE
- 6 N TVL
- 7 N WEST
- 8 OFS
- 9 W CAPE

REASONS FOR MOVING THERE - (Q.B7)

Economic

- 11 Look for Work
- 12 New/Better Job
- 13 Closer to Work
- 14 Higher Income
- 15 Steady Income
- 16 Lower Cost of Living
- 17 Free Rent or Services Cost
- 18 Employer Provided Access

Education

- 21 School Enrollment
- 22 Job Training/Apprenticeship

Affiliation

- 30 Born into Household
- 31 Establish Own House
- 32 Visit spouse
- 33 Join spouse
- 34 Accompany spouse
- 35 Get married
- 36 Visit family
- 37 Join family
- 38 Accompany family
- 39 Visit relatives
- 40 Join relatives (incl. fostering)

Support Networks

- 45 Provide help
- 46 Receive help
- 47 Family obligations

Others

- 50 Privacy
- 51 Live independently
- 52 Live in a New Place
- 53 Could Afford This
- 54 Good/Safe Area
- 55 Better Services/Infrastructure
- 56 Better House
- 57 No Other Alternative
- 66 Obtain Medical Care
- 77 Other (specify ...)

TYPE OF LOCATION - (Q.B3)

- 01 Homeland - Rural
- 02 Homeland - Small Town
- 03 Homeland - City
- 04 Rural - other
- 05 Commercial (White) Farm
- 06 Mine
- 07 Small Town
- 08 Squatter (Informal) Area
- 09 Township
- 10 City centre
- 11 Suburb
- 12 Other (specify...)

WHOSE HOUSE - (Q.B4)

- 1 My parent's house
- 2 My/our household
- 3 Relative's
- 4 Resident Non-relative
- 5 Non-resident Private Owner
- 6 Other (specify ...)

TYPE OF HOUSE - (Q.B5)

- 01 Homestead/hut/rondavel
- 02 Homeless (on street)
- 03 Commercial farm
- 04 Employee's quarters
- 05 Backyard shack/room
- 06 Room in a house
- 07 Outside room/garage
- 08 Squatter shack
- 09 Hostel - company
- 10 Hostel - government
- 11 Flat
- 12 Municipal House - Rental
- 13 Municipal House - Bought
- 14 Township - self-built
- 15 Site and Service
- 16 New Private House
- 17 House in City
- 18 House in Suburbs
- 19 Other (specify ...)

C. CURRENT AND RECENT RESIDENTIAL MOBILITY OF ALL HOUSEHOLD MEMBERS

REASONS FOR MOVING THERE - (Q.C2a, Q.C2b)

Economic

- 11 Look for Work
- 12 New/Better Job
- 13 Closer to Work
- 14 Higher Income
- 15 Steady Income
- 16 Lower Cost of Living
- 17 Free Rent or Services Cost
- 18 Employer Provided Access

Education

- 21 School Enrollment
- 22 Job Training/Apprenticeship

Affiliation

- 30 Born into Household
- 31 Establish Own House
- 32 Visit spouse
- 33 Join spouse
- 34 Accompany spouse
- 35 Get married
- 36 Visit family
- 37 Join family
- 38 Accompany family
- 39 Visit relatives
- 40 Join relatives (incl. fostering)

Support Networks

- 45 Provide help
- 46 Receive help
- 47 Family obligations

Others

- 50 Privacy
- 51 Live independently
- 52 Live in a New Place
- 53 Could Afford This
- 54 Good/Safe Area
- 55 Better Services/Infrastructure
- 56 Better House
- 57 No Other Alternative
- 66 Obtain Medical Care
- 77 Other (specify ...)

PROVINCE - (Q.C3b, Q.C6b, Q.C11b)

- 1 E CAPE
- 2 E TVL
- 3 GAUTENG (PWW)
- 4 KWZ/NATAL
- 5 N CAPE
- 6 N TVL
- 7 N WEST
- 8 OFS
- 9 W CAPE

TYPE OF LOCATION - (Q.C4, Q.C7)

- 01 Homeland - Rural
- 02 Homeland - Small Town
- 03 Homeland - City
- 04 Rural - other
- 05 Commercial (White) Farm
- 06 Mine
- 07 Small Town
- 08 Squatter (Informal) Area
- 09 Township
- 10 City centre
- 11 Suburb
- 12 Other (specify...)

REASONS FOR LEAVING/ABSENCE - (Q.C5, Q.C8, Q.C12)

Economic

- 11 Unemployed
- 12 Retrenched
- 13 Low Income
- 14 High Cost Housing
- 15 Commuting Expensive

Education

- 21 No Schools
- 23 No Money for Schooling
- 24 Study Elsewhere

Affiliation

- 31 Needed Own House
- 32 Visit spouse
- 33 Join spouse
- 34 Accompany spouse
- 35 Get/got married
- 36 Visit family
- 37 Join family
- 38 Accompany family
- 39 Visit relatives
- 40 Join relatives (incl. fostering)
- 41 Initiation
- 42 Divorced/separated/widowed
- 43 Family Conflict

Support Networks

- 45 Provide help
- 46 Receive help
- 47 Family obligations
- 48 Funeral

Others

- 50 No Privacy
- 51 Live independently
- 52 Live in a New Place
- 53 Could Afford to Leave
- 54 Crime/Violence
- 55 Poor Services/Infrastructure
- 56 Poor Quality House
- 57 Evicted by Owner
- 58 Forced Removal
- 59 Family Could Not Stay There
- 60 Overcrowding
- 61 Unpleasant Conditions
- 66 Vacation/outing
- 77 Other (specify ...)

WHEN EXPECTED TO RETURN - (Q.C10)

- 1 Within a week
- 2 1-2 weeks
- 3 3-4 weeks
- 4 1-2 months
- 5 3-4 months
- 6 5-6 months
- 7 7 months or more
- 8 Other (specify ...)

D. INCOME EARNING ACTIVITIES

WHY NOT EARNING - (Q.D2)

- 01 No Jobs or Work Available
- 02 Illness
- 03 Physical Disability
- 04 Mental Disability
- 05 Housewife/Child Rearing/Pregnant
- 06 Student in Formal Education
- 07 Too Young
- 08 Old Age/Retired/Pensioner
- 09 Other (specify...)

TYPE OF BUSINESS - (Q.D3)

- 00 None
- 01 Personal services (incl. domestic)
- 02 Commerce (wholesale & retail)
- 03 Services (food/hotel/recreation)
- 04 Construction
- 05 Manufacturing
- 06 Electricity & Water
- 07 Transport
- 08 Communication
- 09 Education
- 10 Financial services
- 11 Legal services
- 12 Medical services
- 13 Gov't Services
- 14 Parastatals
- 15 NGO
- 16 Other (specify...)

POSITION TYPE - (Q.D4)

- 1 Self employment - alone
- 2 Self employment - family member (paid or unpaid)
- 3 Self employment - supervisor (not owner)
- 4 Self employment - owner (one or more employees/helpers)
- 5 Casual wage employment
- 6 Regular wage/salary employment
- 7 Paid piece rate
- 8 Other (specify...)

MAIN WORK PLACE SITE - (Q.D6)

- 0 None
- 1 At Home
- 2 In Community
- 3 Outside Community; in Metro CT
- 4 Outside Metro CT
- 5 Other (specify ...)

TRANSPORTATION TYPE - (Q.D8)

- 01 Bus
- 02 Taxi
- 03 Train
- 04 Bicycle
- 05 Car/motorbike
- 06 Walk (only)
- 07 "Car Pool"/Lift Club
- 08 Taxi and train
- 09 Taxi and bus
- 10 Bus and train
- 11 Other (specify ...)

REGULAR VS. INTERMITTANT/SEASONAL - (Q.D12)

- 0 None
- 1 Few Days
- 2 Few Weeks
- 3 Few Months
- 4 Half of the year
- 5 More than Half of the Year
- 6 All Year
- 7 Other (specify ...)

PAY PERIOD - (Q.D14)

- 0 None
- 1 Daily
- 2 Weekly
- 3 Fortnightly
- 4 Monthly
- 5 Other (specify ...)

INCOME CATEGORY - (Q.D15)

(See Code Sheet E)

GROSS VS. NET - (Q.D16)

- 0 None
- 1 Net Profit (Own Business)
- 2 Gross Sales (Own Business)
- 3 Take Home Wage
- 4 Gross Salary Before Deductions
- 5 Other (specify...)

CODES E - INCOME CATEGORY**DAILY**

A01	1 - 9
A02	10 - 19
A03	20 - 29
A04	30 - 39
A05	40 - 49
A06	50 - 59
A07	60 - 74
A08	75 - 99
A09	100 - 124
A10	125 - 149
A11	150 +

CODES E - INCOME CATEGORY**WEEKLY**

B01	1 - 49
B02	50 - 99
B03	100 - 149
B04	150 - 199
B05	200 - 249
B06	250 - 299
B07	300 - 349
B08	350 - 399
B09	400 - 449
B10	450 - 499
B11	500 - 549
B12	550 +

CODES E - INCOME CATEGORY**FORTNIGHTLY**

C01	1 - 99
C02	100 - 199
C03	200 - 299
C04	300 - 399
C05	400 - 499
C06	500 - 599
C07	600 - 699
C08	700 - 799
C09	800 - 999
C10	1000 - 1199
C11	1200 - 1499
C12	1500 - 1999
C13	2000 +

CODES E - INCOME CATEGORY**MONTHLY**

D01	1 - 199
D02	200 - 399
D03	400 - 599
D04	600 - 799
D05	800 - 999
D06	1000 - 1199
D07	1200 - 1499
D08	1500 - 1999
D09	2000 - 2499
D10	2500 - 2999
D11	3000 - 3999
D12	4000 +

APPENDIX F

SURVEY LOCATIONS AND NUMBER OF INTERVIEWS IN EACH

Appendix F
Survey Locations and Number of Interviews in Each.

Location	Formal Houses	Backyard Shacks	Squatters	Hostels
1. Belhar and Belhar Ext (P)			3 (3)	
2. Belhar - DF Malan (P)			4 (3)	
3. Wallacedean (P)			56 (55)	
4. Bloukombos (P)			27 (27)	
5. Milnerton (P)			3 (3)	
6. Marconi Beam (P)			12 (12)	
7. Eersterivier (P)			3 (3)	
8. Kuils River (P)			3 (3)	
9. Mfuleni (C)	6 (6)		9 (9)	
10. Driftsands (P)			3 (3)	
11. Kommetjie (P)			3 (3)	
12. Noordhoek (P)			3 (3)	
13. Vishoek (P)			3 (3)	
14. Simonstad/Redhill (P)			3 (3)	
15. Grassy Park (P)			4 (4)	
16. Montagu's Gift/Vrygrond (P)			3 (3)	
17. Guguletu - General (C)	112 (112)		2 (3)	20 (20)
18. Guguletu - Fezeka (C)			3 (3)	
19. Guguletu - New Rest/Gxa Gxa (C)			6 (3)	
20. Guguletu - Tambo Square (C)			3 (3)	
21. Guguletu - Polla Park (C)			3 (3)	
22. Guguletu - Old Tip Site (C)			3 (3)	
23. Hout Bay - Imizamu Yethu (P)			5 (5)	
24. Hout Bay - Squatters (P)			3 (4)	
25. Pelikan Park (P)			3 (3)	
26. Tafelsig (P)			3 (3)	
27. Khayelitsha - General (C)	69 (104)		61 (28)	
28. Khaya - Site B (C)			64 (58)	
29. Khaya - Site C (C)			22 (22)	
30. Khaya - Greenpoint (C)			10 (12)	
31. Khaya - Silvertown (C)			7 (6)	
32. Langa - General (C)	23 (24)			33 (32)
33. Langa - Zones (C)			5 (4)	
34. Langa - New Flats (C)			3 (3)	
35. Nyanga/New Crossroads (C)	43 (60)	9	3 (3)	32 (18)
36. Nyanga - Millers Camp (C)	0 (3)		4 (4)	
37. Nyanga - Black City (C)			3 (3)	
38. Nyanga - Kalanyoni (C)			3 (3)	

Survey Locations and Number of Interviews in Each.

Location	Formal Houses	Backyard Shacks	Squatters	Hostels
39. Nyanga - Mpinga Square (C)			3 (3)	
40. Nyanga - Mahobe Drive (C)			3 (3)	
41. Nyanga - Mkonto Square (C)			3 (3)	
42. Nyanga - Mpetha Square (C)			3 (3)	
44. Nyanga - KTC (C)	7 (12)		14 (8)	
45. Old Crossroads - Boys Town (C)	8 (12)		16 (12)	
46. Phillipi (C)			3 (3)	
47. Phillipi - Brown's Farm (C)		6 (7)	10 (10)	
48. Phillipi - NPC/Vietnam (C)			3 (3)	
49. Phillipi - East (C)			8 (8)	
50. Phillipi - Samora Machel (C)			3 (3)	
51. Phillipi - Pollsmoor (C)			3 (3)	
52. Weltevreden valley (C)			3 (3)	
53. Visserhoek (P)			3 (3)	
Total	268	15	439	85

Note: The figures in brackets refer to the planned or designed number of interviews in each location. The figures that are not in brackets refer to the actual number of interviews that were conducted in each location.

C - indicates those locations classified as being 'core' areas.

P - indicates those locations classified as being 'peripheral' areas.

APPENDIX G
SAMPLING DATA AND WEIGHTS

Appendix G
Population Estimates used to Derive the Reference Population used in Project Migration.

No	District	White	Coloured	Indian	Blacks Formal	Blacks B/yd	Blacks Squatter	Blacks Hostels	Blacks TOTAL	TOTAL	Type
1003	Belhar & Belhar Ext	55	40861	303	537	150	250	0	937	42158	P
1003	Belhar - D F Malan	0	0	0	0	0	150	0	150	150	P
1047	Kraaifontein - Wallacedene	0	0	0	0	0	22000	0	22000	22000	P
1047	Kraaifontein - Bloukombus	0	0	0	0	0	10000	0	10000	10000	P
	Rem of Bellville	138698	70675	810	3009	0	0	0	3009	213192	E
	TOTAL BELLVILLE	138754	111536	1113	3546	150	32400	0	36096	287500	
	TOTAL GOODWOOD	70433	198959	3182	1353	0	0	0	1353	273927	E
1140	Milnerton	6349	285	52	193	0	600	0	793	7479	P
1141	Milnerton Rest/Marconi Beam	189	472	5	21	0	5000	0	5021	5687	P
	Rem of Cape	105912	60124	2512	5653	0	0	0	5653	174200	E
	TOTAL CAPE	112450	60880	2569	5867	0	5600	0	11467	187367	
1146	Eersterivier	36	22449	165	73	50	800	0	923	23572	P
1151	Kuilsrivier	11037	411	65	87	0	500	0	587	12099	P
1155	Mfuleni	1	137	1	3892	3000	10000	0	16892	17032	C
1155	Driftsands	0	0	0	0	0	800	0	800	800	P
	Rem of Kuilsrivier	15744	76237	369	558	0	0	0	558	92908	E
	TOTAL KUILSRIVIER	26817	99234	599	4611	3050	12100	0	19761	146411	
1168	Kommetjie	1671	16	1	22	0	400	0	422	2110	P
1169	Noordhoek	2692	208	0	28	0	800	0	828	3728	P
1172	Simonstad/Rehill	3768	189	97	152	0	400	0	552	4606	P
1175	Vishoek	9073	115	7	151	0	150	0	301	9496	P
	Rem Of Simonstown	13416	26026	135	632	0	0	0	632	40209	E
	TOTAL SIMONSTOWN	30619	26554	240	984	0	1750	0	2734	60148	
1176	Macassar - Gen	17	21871	61	25	0	0	0	25	21974	E
1176	Macassar - Chris Hani Park	0	0	0	0	0	500	0	500	500	E
1176	Macassar - Madala se Bos	0	0	0	0	0	200	0	200	200	E
1177	Macassarstrand	2	946	8	17	0	0	0	17	973	E
1178	Somerset West	22990	3254	8	2885	0	0	0	2885	29137	E
	TOTAL SOMERSET WEST	23009	26071	77	2926	0	700	0	3626	52783	
1179	Gordons Bay	3784	509	6	123	0	100	0	223	4523	E
1180	Lwandle	0	0	0	1496	0	3500	0	4996	4996	E
1181	Strand - Gen	16655	17128	142	258	0	0	0	258	34183	E
1181	Strand - Seabreeze	0	0	0	0	0	100	0	100	100	E
1181	Strand - Casablanca	0	0	0	0	0	300	0	300	300	E
1181	Strand - Altena	0	0	0	0	0	100	0	100	100	E
1181	Strand - Rusthof	0	0	0	0	0	1200	0	1200	1200	E
1181	SUBTOT STRAND	20439	17637	148	1877	0	5300	0	7177	45401	

Source: Mazur *et al* 1995: Appendix Five.

No	District	White	Coloured	Indian	Blacks Formal	Blacks B/yd	Blacks Squatter	Blacks Hostels	Blacks TOTAL	TOTAL	Type
1185	Grassy Park/Vrygrond	40	20192	772	153	0	1500	0	1653	22658	P
1187	Montagu's Gift/Bush Estates	21	16670	120	28	0	600	0	628	17438	P
1188	Guguletu - Gen	0	1414	0	93053	55400	2000	18000	168453	169867	C
1188	Guguletu - Fezeka	0	0	0	0	0	2000	0	2000	2000	C
1188	Guguletu - New Rest/Technikon	0	0	0	0	0	4000	0	4000	4000	C
1188	Guguletu - Tambo Square	0	0	0	0	0	3000	0	3000	3000	C
1188	Guguletu - Polla Park	0	0	0	0	0	1500	0	1500	1500	C
1188	Guguletu - Gxa Gxa	0	0	0	0	0	200	0	200	200	C
1188	Guguletu - Old tip site	0	0	0	0	0	3000	0	3000	3000	C
1189	Hout Bay - gen/Imizamu Yathu	6408	300	3	290	0	2000	0	2290	9001	P
1189	Hout Bay - Squatters	0	0	0	0	0	1600	0	1600	1600	P
1224	Pelikan Park	1	285	2097	14	0	70	0	84	2467	P
1244	Tafelsig	50	36382	183	55	0	800	0	855	37470	P
1252	Khayalitsha - Gen	2	1064	177	98135	39000	40000	0	177135	178378	C
1252	Khaya - Site B	0	0	0	0	0	80000	0	80000	80000	C
1252	Khaya - Site C	0	0	0	0	0	30000	0	30000	30000	C
1252	Khaya - Greenpoint	0	0	0	0	0	15000	0	15000	15000	C
1252	Khaya - Silvertown	0	0	0	0	0	8000	0	8000	8000	C
1253	Langa - Gen	0	23	0	18411	12700	0	28000	59111	59134	C
1253	Langa - Zones	0	0	0	0	0	7000	0	7000	7000	C
1253	Langa - New Flats	0	0	0	0	0	1500	0	1500	1500	C
1254	Mandalay (BM)	12	5086	45	222	0	0	0	222	5365	E
1255	Nyanga/New Crasrd - Gen	0	299	0	58323	21500	1000	15000	95823	96122	C
1255	Nyanga - Millers Camp	0	0	0	0	1000	5000	0	6000	6000	C
1255	Nyanga - BlackCity	0	0	0	0	0	2000	0	2000	2000	C
1255	Nyanga - Kalanyoni	0	0	0	0	0	500	0	500	500	C
1255	Nyanga - Mpinga square	0	0	0	0	0	1000	0	1000	1000	C
1255	Nyanga - Mahobe Drive	0	0	0	0	0	1800	0	1800	1800	C
1255	Nyanga - Mkonto Square	0	0	0	0	0	2500	0	2500	2500	C
1255	Nyanga - Mpetha Sq	0	0	0	0	0	1900	0	1900	1900	C
1255	Nyanga - KTC	0	0	0	12000	3000	10000	0	25000	25000	C
1255	Old Crossroads - Boys Town	0	0	0	8000	8000	16000	0	32000	32000	C
1257	Philippi	0	32	3	0	0	1300	0	1300	1335	C
1257	Philippi - Brown's Farm	0	0	0	0	9000	13000	0	22000	22000	C
1257	Philippi - NPC/Vietnam	0	0	0	0	0	4500	0	4500	4500	C
1257	Philippi - East (Stock Road)	0	0	0	0	0	11000	0	11000	11000	C
1257	Philippi - Samora Machel	0	0	0	0	0	2200	0	2200	2200	C
1257	Philippi - Pollsmoor	0	0	0	0	0	500	0	500	500	C
1258	Philippi Landelik	696	5388	119	772	0	0	0	772	6974	E
1259	Weltevreden Valley	12	4449	75	62	0	450	0	512	5048	C
	Rem of Wynberg/Mitchells Plain	132121	480324	15917	13159	270	1400	0	14829	643191	E
	TOTAL WYNBERG/MITCHELLS PLAIN	139364	571909	19510	302676	149870	279820	61000	793366	1524149	
OTHER	Visser'shoek (N of Milnerton)						950		950	950	P
	TOTAL METRO CAPE	561886	1112780	27439	323841	153070	338620	61000	876531	2578636	

KEY
 C = Core
 P = Peripheral
 E = Exclude
Italics = Areas to be included

TOTALS

Type	White	Coloured	Indian	Blacks Formal	Blacks B/yd	Blacks Squatter	Blacks Hostels	Blacks TOTAL	TOTAL
Core				291814	152600	281850	61000	787264	787264
Peripheral				0	0	49370	0	49370	49370
TOTAL				291814	152600	331220	61000	836634	836634

PROPORTIONAL SAMPLE

Core	279	146	270	58	753	753
Peripheral	0	0	47	0	47	47
TOTAL	279	146	317	58	800	800

RECOMMENDED SAMPLE (As agreed 24 Feb 95)

Core	225	115	240	70	650	650
Peripheral	0	0	150	0	150	150
TOTAL	225	115	390	70	800	800

The Weights of each Sample Location in Project Migration.

District	Weights Adjusted vis. Sample Sites			
	Blacks Formal	Blacks B/yd	Blacks Squatter	Blacks Hostels
1 Belhar & Belhar Ext			20.83	
2 Belhar - D F Malan			9.38	
3 Kraaifontein - Wallacedene			98.21	
4 Kraaifontein - Bloukombus	Bloekombos		92.59	
5 Milnerton			50.00	
6 Milnerton Rest/Marconi Beam			104.17	
7 Eersterivier			66.67	
8 Kuilsrivier			41.67	
9 Mfuleni	287.18		277.78	
10 Driftsands			66.67	
11 Kommetjie			33.33	
12 Noordhoek+Vishoek			39.58	
13 Simonstad/Rchill			33.33	
15 Grassy Park/Vrygrond			93.75	
16 Montagu's Gift/Bush Estates			50.00	
17 Guguletu - Gen	334.35	334.35	250.00	225.00
18 Guguletu - Fezeka			166.67	
19 Guguletu - New Rest + Gxa Gxa			175.00	
20 Guguletu - Tambo Square			250.00	
21 Guguletu - Polla Park			125.00	
23 Guguletu - Old tip site			250.00	
24 Hout Bay - gen/Imizamu Yethu			100.00	
25 Hout Bay - Squatters			133.33	
26 Pelikan Park			5.83	
27 Tafelsig			66.67	
28 Khayalitsha - Gen	496.87		163.93	
29 Khaya - Site B			312.50	
30 Khaya - Site C			340.91	
31 Khaya - Greenpoint			375.00	
32 Khaya - Silvertown			285.71	
33 Langa - Gen	338.16			212.12
34 Langa - Zones			350.00	
35 Langa - New Flats			125.00	
36 Nyanga/New Crsrd - Gen	339.09	597.22	83.33	117.19
37 Nyanga - Millers Camp			375.00	
38 Nyanga - BlackCity			166.67	
39 Nyanga - Kalanyoni			41.67	
40 Nyanga - Mpinga square			83.33	
41 Nyanga - Mahobe Drive			150.00	
42 Nyanga - Mkonto Square			208.33	
43 Nyanga - Mpetha Sq			158.33	
44 Nyanga - KTC	535.71		178.57	
45 Old Crossroads - Boys Town	500.00		250.00	
46 Philippi			108.33	
47 Philippi - Brown's Farm	321.43		325.00	
48 Philippi - NPC/Vietnam			375.00	
49 Philippi - East (Stock Road)			343.75	
50 Philippi - Samora Machel			183.33	
51 Philippi - Pollsmoor			41.67	
52 Weltevreden Valley			37.50	
53 Viissershoeck (N of Milnerton)			79.17	

Source: Mazur *et al* 1995: Appendix Six.

APPENDIX H
THE PRIMARY HOUSEHOLD SUBSISTENCE LEVEL (PHSL)
FOR CAPE TOWN 1995

Appendix H
The Primary Household Subsistence Level for Cape Town 1995.

AGE AND SEX	LOW INCOME				LOW-MIDDLE INCOME				
	Food	Clothing	Fuel Light Washing Cleansing	Total	Food	Clothing	Fuel Light Washing Cleansing	Total	
Children									
1 - 3 years	56.47	8.47	2.42	67.36	85.82	8.47	2.35	96.64	
4 - 6 years	68.77	16.93	2.42	88.12	112.39	16.93	2.35	131.67	
7 - 10 years	85.79	16.93	2.42	105.14	133.68	16.93	2.35	152.96	
Boys & Men									
11 - 14 years	101.98	25.40	2.42	129.80	162.59	25.40	2.35	190.34	
15 - 18 years	115.69	37.10	2.42	155.21	172.55	37.10	2.35	212.00	
19+ years	115.69	37.10	2.42	155.21	172.55	37.10	2.35	212.00	
Girls & Women									
11 - 14 years	98.54	25.40	2.42	126.36	156.52	25.40	2.35	184.27	
15 - 18 years	98.54	33.86	2.42	134.82	160.29	33.86	2.35	196.50	
19+ years	98.54	33.86	2.42	134.82	160.29	33.86	2.35	196.50	
Household Fuel, Light, Washing & Cleansing :				77.13	Household Fuel, Light, Washing & Cleansing :				80.96

HOUSEHOLD SUBSISTENCE LEVEL: March 1995

Cape Town

	Low	Low-mid
Adult man	155.21	212.00
Adult woman	134.82	196.50
Boy 15 - 18 yrs	155.21	212.00
*Girl 11 - 14 yrs	126.36	
Child 7 - 10 yrs	105.14	152.96
Child 7 - 10 yrs	105.14	152.96
Child 1 - 3 yrs		
Household as a whole	77.13	80.96
TOTAL (P.H.S.L.)	859.01	1007.38
Rent	56.00	77.30
Transport	90.22	85.60
H.S.L.	1005.23	1170.28
%Increase since:		
Sep. 1994	1.3%	3.2%
Mar. 1994	6.4%	20.9%
*H.S.L. 5 members	878.87	

Source: Potgieter 1995.

CENTRE	LOW INCOME							LOW-MIDDLE INCOME					
				HSL	% Increase since:		HSL				HSL	increase since:	
	PHSL	Rent	Transport	6 members	Sep. 1994 (6 mths)	Mar. 1994 (12mths)	5 members	PHSL	Rent	Transport	5 members	Sep. 1994 (6 mths)	Mar. 1994 (12mths)
Cape Town	859.01	56.00	90.22	1005.23	1.3%		878.87	1007.38	77.30	85.60	1170.28	3.2%	
Port Elizabeth	886.68	25.48	70.63	982.79	1.7%		852.45	1005.03	44.19	85.37	1134.59	3.8%	
East London	876.92	25.21	136.40	1038.53	0.8%		912.27	1050.86	122.05	112.58	1285.49	0.0%	
Kimberley	916.25	60.37	80.11	1056.73	-0.0%		929.82	1070.45	128.39	52.39	1251.23	1.4%	
Durban	840.81	19.53	121.67	982.01	1.9%		859.21	1026.12	153.06	110.00	1289.18	3.1%	
Durban (Indians)	-	-	-	-	-		-	1148.28	139.11	90.93	1378.32	3.7%	
Pretoria	804.39	128.00	99.37	1031.76	2.8%		903.8	1113.02	117.32	33.34	1263.68	3.8%	
Johannesburg	850.91	45.00	93.10	989.01	0.7%		863.41	1007.18	113.08	80.11	1200.37	4.7%	
Bloemfontein	950.98	20.00	95.91	1066.89	6.9%		925.72	1042.28	173.12	51.96	1267.36	0.0%	
King William's Town	842.23	22.95	64.95	930.13	-1.2%		808.03	1014.56	65.97	43.30	1123.83	1.0%	
Queenstown	918.24	25.97	32.48	976.69	2.4%		844.31	1082.65	107.94	43.30	1233.89	1.8%	
Uitenhage	893.63	28.00	52.61	974.24	0.3%		843.26	1033.56	42.06	52.61	1128.23	2.3%	
George	906.59	30.23	51.96	988.78	1.3%		854.03	1033.22	60.62	60.62	1154.46	-1.7%	
Mossel Bay	926.33	17.97	45.47	989.77	0.3%		852.12	1052.03	65.24	42.00	1159.27	1.8%	
Pietermaritzburg	871.76	16.16	51.96	939.88	1.1%		816.64	-	-	-	-	-	
Umtata	896.88	68.14	43.30	1008.32	1.7%		870.44	-	-	-	-	-	
Peddie	939.17	-	-	939.17	3.0%		794.46	-	-	-	-	-	
Brits	890.99	38.40	126.15	1055.54	-0.4%		919.98	-	-	-	-	-	
Windhoek	1052.21	88.41	67.50	1208.12	3.4%		1061.6	1243.25	247.77	60.00	1551.02	3.9%	
Swakopmund	1014.02	90.69	43.30	1148.01	1.5%		1011.86	1247.17	268.24	86.60	1602.01	-1.5%	
Tsumeb	0.00	-	-	0.00	-		0	-	-	-	-	-	
Benoni*	861.67	48.78	84.44	994.89	2.4%		869.29	-	-	-	-	-	
Boksburg*	854.51	41.50	108.25	1004.26	2.0%		878.66	-	-	-	-	-	
Brakpan*	871.47	47.10	80.11	998.68	2.5%		873.08	-	-	-	-	-	
Germiston*	859.11	37.10	95.26	991.47	2.2%		865.87	-	-	-	-	-	
Springs*	789.11	84.99	86.60	960.70	1.8%		835.1	-	-	-	-	-	
Krugersdorp*	866.54	50.21	64.95	981.70	1.1%		856.1	-	-	-	-	-	
Vaal Triangle*	877.39	30.00	81.84	989.23	3.9%		863.63	-	-	-	-	-	
AVERAGES:													
Cape Town, P.E., Durban, Pretoria & Johannesburg	848.36	54.80	95.00	998.16	1.7%		871.548	1031.75	100.99	78.88	1211.62	3.7%	

* The PHSL for Johannesburg was accepted as basis. Fuel and light was calculated for each centre individually which explains the discrepancy between the PHSL for Johannesburg and these areas.